Stock, Grain Boom Analyzed — **Maritime Market Reviewed**

LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

CANADIAN MINING NEWS DEPARTMENT ON PAGE 24

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The Nation's Business

Stock Boom Calls for Caution
Natural Forces Lift Wheat
Central Canada Loan Becomes Purely Holding Company
Investment Bankers Should Extend Influence

Word of Caution on Stock Markets

INVESTORS would do well not to make too hurried commitments in the stock market at the present juncture. Especially should they beware of buying on tips, rumors and news whose final bearing on stocks cannot be foreseen.

The old investment principle of investigating before investing applies with redoubled force at a time of general speculative enthusiasm. Investors should study the earnings and dividend records and the personnel of companies for many years back, and studiously assess market conditions as well of companies whose stocks interest them. Recovery as always will come to companies which are best financed to stand hard times, which are best managed, which are in essential industries and which are not at present open to devastating competition because of unsound developments.

If the present high price of wheat were an export price based on demand, it would justify much market enthusiasm. So far it is a speculative price and not founded as yet on overseas buying but only on drought news which may change. There is lots of wheat in the world to steel buyers in resisting too swift an advance. Caution is therefore worth while before accepting present wheat prices at their face value.

* * *

Bad Crop News May Be a Blessing

FARMERS, bankers and speculators who watched the price of wheat cross the 80-cent mark this week for the first time since the autumn of 1930 saw Old Mother Nature battling to assert her supremacy as a big boss of the wheat pit.

Groggy from the body punch of the control plan shortly to be introduced in the United States and reeling under news of a 15 per cent acreage cut plan by exporting nations at London, the old lady looked for a time as if she would have to take the count for this year at least. Her more youthful rivals seemed to be having it all their own way.

No one wishes to see crop failures, particularly in our Canadian West, but if natural forces rather than artificial measures can point a way out of the present world wheat impasse, Canada and other interested nations may be thankful in the long run.

There are still many of the keenest minds of this and other continents who feel strongly that we may yet pay dearly for the artificial means which are being used or planned to restore prosperity.

Mother Nature's victory at Winnipeg and Chicago this week may be a blessing in disguise after all.

* * *

Central Canada Ends Loan Business

WHILE depositors, borrowers on mortgage and debenture holders associated with Central Canada Loan & Savings Co. will regret parting from a company which has been synonymous for careful, methodical and sound business and where they have felt very safe, the decision to quit the loan and savings business established in 1884 and to remain simply a holding company for investments now held is evidently the result of a thorough canvass of the existing situation. Arrangements made preserve the old connection to a considerable degree for depositors and holders of mortgages.

Depositors in Toronto will now deposit with National Trust Co., of which Central Canada Loan & Sav-

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Current Opinion

"STEALING IS TAKING something without giving an equivalent in return and the worst kind of stealing is taking from a community without giving any equivalent. M[illegible] OF OUR GREAT FORTUNES [illegible] BEEN MADE IN THIS WAY."
—J. S. Woodsworth, M.P., at Halifax.

Woodsworth wants to be Prime Minister and make Canada a Co-operative [illegible].

Is it not true that the greatest era of stealing from the community by grafters in every form has been under the co-operative, public owned National Railways.

The Financial Post offers to name 1,000 Canadian fortunes made by honest, sound, conscientious methods for every one Mr. Woodsworth can name as being made by community stealing under private ownership.

DISTILLERIES RATING HIGH ON MARKETS

Speculators Assess U. S. Hard Liquor Thirst at Huge Dollar Value

MERGER PALES

Experienced Market Analysts Wonder if Amalgamation Off — Present Values Out of Line

With the stock market apparently gone wild on distillery company stocks, old hands at market analysis are frankly puzzled as to whether or not a merger can now be on the tapis. For weeks an announcement had been daily expected until Brewers & Distillers halted negotiations a fortnight ago, and even that situation was expected to be ironed out in a few days. The heights attained by National Distillery shares in New York have lent color to the reports there that that company has been making high offers to Canadian distilleries for their stocks of hard liquor. If that company got control of one of the big three in Canada it is not certain that a merger would follow.

Certain market interests regarded as close to Hiram Walker-Gooderham & Worts say that they do not care as far as United States business is concerned, whether or not there is a merger under present conditions. When they are asked if values have not got far out of hand through speculative buying, they point out that Hiram Walker-Gooderham & Worts supplied the United States with one-third of its total imports of hard liquor before the prohibition era and that it is therefore in a favorable position to benefit from repeal of the 18th amendment to the United States constitution if that occurs. Its inventories of 14,500,000 gallons of whisky are valued at 50 cents a gallon on the balance sheet but would be worth five times that at least, if uninterrupted access to the United States market is eventually given.

Can Drink 8,000,000 Gals. Monthly

The Wall Street Journal, in a despatch from Detroit, estimates consumption of whisky in the

(Continued on page 2, col. 6)

CENT. CANADA IS LIQUIDATING LOAN BUSINESS

National Trust, Bank of Commerce Take Over Deposits

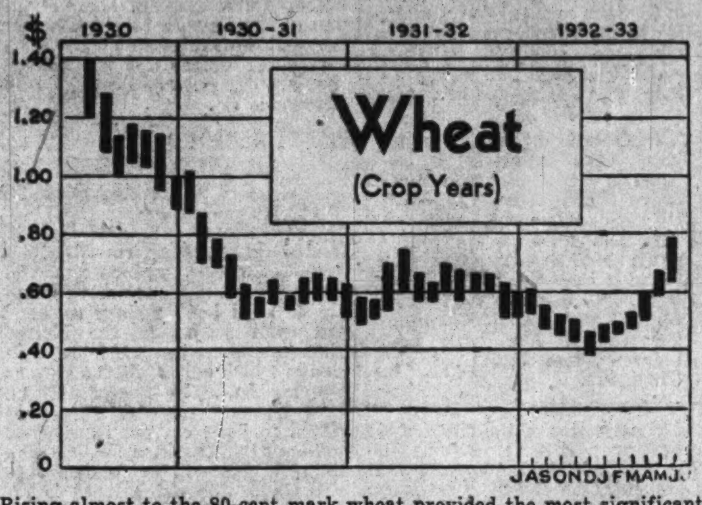
Discontinuing the deposit branch of its business on July 1, Central Canada Loan & Savings Co. will confine its activities to those of a purely holding and investment company. Chief among the company's stock holdings is a controlling interest in the Canada Life Assurance Co. and a very important interest in National Trust Co. Deposits with the head office of the company in Toronto will be transferred to the National Trust Co. and deposits in its Oshawa branch will be transferred to the Canadian Bank of Commerce. Debentures of the company outstanding will be redeemed as soon as is convenient to debenture holders. Mortgage loans of the company are in first class condition and will be taken over by Canadian life insurance companies.

Central Canada Loan & Savings Co. is one of the older Canadian loan companies with an excellent record extending back to 1884. The original company was incorporated in Ontario, while the present company received its Dominion charter in 1898. The company has approximately $4,800,000 of deposits, of which $3,800,000 is in Toronto and will be taken over by the National Trust Co., while $1,000,000 is in Oshawa and will be taken over by the Canadian Bank of Commerce. The National Trust Co. will extend its present premises to take in the ground floor of the adjoining Central Canada building. The Oshawa branch will be closed.

In consideration for taking over deposit liabilities to the amount of

(Continued on page 2, col. 5)

Week's Most Significant News



Rising almost to the 80-cent mark wheat provided the most significant news of the week. The above chart shows the monthly high and low for No. 1 Northern at Winnipeg. With the Government's dominant position as an immense holder the situation has many uncertain features, however.

JUNGLE LAW NOT FAVORED BY McFARLAND

Pool Head Prefers Acreage Control For Wheat Problem

John I. McFarland, general manager of the Canadian Co-Operative Wheat Producers, Ltd., and largest individual wheat holder in the world, favors the wheat acreage control plan now being attempted at London, in favor of the "jungle law of the survival of the toughest," according to a statement given to The Financial Post this week.

Holds Huge Stake

As guardian of wheat holdings commonly estimated at 140,000,000 bushels, Mr. McFarland is one of the most important figures in the Canadian wheat picture at the present time.

His statement made at the request of The Financial Post, is as follows:

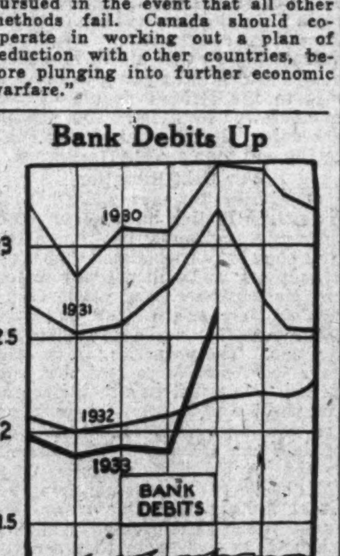
"Unpopular as it has been and still is to declare the facts, and disagreeable as it is to face the facts, yet the fact is: 'The world wheat production has been excessive in the last five or six years, and this condition is a result of over-extended World Seeded Acreage.'

"Positive physical evidence of oversupply was apparent to all in the early part of 1930, and was evidenced by official statistics on August 1, 1930. These surplus supplies accumulated during the greatest era of prosperity the world had ever experienced and they have moderately increased since 1930, in spite of the lowest prices recorded in modern history, and in spite of record-breaking quantities fed to livestock, especially on the North American Continent.

"The over-production is of such magnitude as would cause great economic distress to any one of the wheat producing countries whose external trade depends to any considerable extent upon wheat and wheat products), if one of such countries were forced to assume the whole burden of reduction.

"The London Conference indicates some hopes of working out a plan whereby various countries would agree to assume a fair share of the reduction. If such a plan fails, then only one course remains and that is the jungle law of the survival of the toughest. It would appear a long and painful journey, and should only be pursued in the event that all other methods fail. Canada should cooperate in working out a plan of reduction with other countries, before plunging into further economic warfare."

Bank Debits Up



May bank debits moved well above the 1932 level, reflect increased activity throughout Canada.

INCREASE IN WHEAT PRICE BARS EXPORT

Speculative Market Carries Price Out of Line With World Price

From Our Own Correspondent

WINNIPEG—Wheat market was whirled upward at the beginning of the week as the result of the speculative frenzy in the United States following upon the full realization of how short the country's crop will inevitably be this year. Diminished prospects in Canada were also given as a reason by those who bought wheat, both on our market and south of the line. Canadian prospects however, have nothing to do with the basis for United States prices, which, now at dizzy heights above export levels, must rest entirely upon conditions in that country. For similar reasons, price advances there are not necessarily any sound reason for increased prices in Canada, where wheat prices sooner or later get jerked back to export parity.

Bullish enthusiasm got Canadian prices entirely out of line for anything except very limited export business. In the meantime Australia and the Argentine, taking advantage of the much more limited advance which has taken place in Liverpool prices, have been selling fair quantities. Cash trading in wheat, and forwarding it down the lakes, were brought almost to a standstill.

Government Position

The Dominion Government position is the great mystery of the market. If the government is still holding on tightly to its great accumulation of futures, formerly, and perhaps still representing 75 per cent of the open interest in the market, the only selling to check the upward surge of prices would be that afforded by the several million bushels of wheat which are weekly being delivered by farmers to country elevators, and that done by satisfied profit takers. If they have been disposed of on the rising market to any considerable extent, it would take a very large volume of buying to sustain the rise at the rate at which it has proceeded.

On the whole the market tends to believe that the government has been hanging on to most of its holdings, on the theory that the actual volume of trade in relation to the extent of the rise indicates a very narrow market. If there has been extensive selling the secret has so far been carefully guarded.

If there has not, the government has been raking in speculative profits through the clearing house faster than any other grain speculator has ever done, with the prospect of having to disgorge them just as rapidly if the rise fails to hold. Some speculators are willing to follow what they believe is the government lead, on the theory that it may have some information as to the probable course of the exchange value of the Canadian dollar not yet available to the general public. But there is also a great deal of nervousness lest we should be missing the opportunity to make export sales, and giving Argentina and Australia the chance to profit as they profited previously from the holding policy of Canada, and later from that of the United States farm board.

Supplies afloat will enable British and European buyers to hold off for some time, in the expectation of drawing upon new crop Danubian wheat, or that Russia will be tempted by strong prices to part with some of her earlier supplies. In the meantime the speculator has his choice between accepting the view of the market registered by Liverpool, where advances have been only moderate, and that which is registered on this continent, or we may believe that the Canadian dollar is going to be stabilized at par with sterling, which would probably justify some further advance in wheat prices. Some of the rise in Chicago was undoubtedly due to developments in the monetary discussion in London, showing that the United States has no intention of allowing its dollar to return to gold parity in the near future, and the Canadian dollar has shown a tendency to keep well below that of the United States.

Stock Market is Boisterous Takes Recovery for Granted

In so far as the stock market is a barometer of public expectation of business recovery, the heavy trading and rising prices for the last week have expressed unbounded confidence as to the future. Just as total sales have come up to 1929 boom levels on some days the speculative urge has become more evident than at any time since 1929. Farm implement, oil company, distillery company and many other company shares have shown large advances in spite of the fact that company news of earnings and sales have so far not been encouraging.

The price of wheat as it surged above 80 for a time on June 27 was undoubtedly an important factor in the rise of stocks. The speculators have in most cases overlooked that the speculative rise in Canada and the United States has taken wheat again out of touch with export channels. Just as in 1929 recent sales have been from speculator to speculator, not from owner to consumer or consumer's representatives in England. The two must come together before stock market activity, based on wheat prices, can be considered sound.

The distillery stocks have also passed out of readable connection with merger products. They show an exaggerated appreciation of the United States thirst for hard liquors in case the 18th amendment to the United States Constitution is finally disposed of or amended.

MASSEY, PLOW AND WATERLOO STOCKS JUMP

Higher Grain Price Must Last to 1934 to Aid Materially

BANK LOANS HIGH

Total Increase in Value of Grain in Hands of Farmers Not Equal to Accounts of Implement Cos.

With wheat prices passing 80 for the first time since 1930 and wheat in farmers' hands for the time being at any rate given a valuation twice what it had only a few months ago, trading in shares of Massey-Harris, Cockshutt Plow and Waterloo Manufacturing assumed large dimensions last week Massey-Harris reached 11 on June 27 as against a low in 1933 of 2⅝; Cockshut Plow got to 15⅛ while the low point is 3; and Waterloo Manufacturing touched 6 with the low point 3.

As the price increase in wheat is based on drought news from various parts of North America, this ebullition of market enthusiasm relates rather to the expectation that farmers will get more money to pay old bills than to the likelihood of increased sales of moment this year. If the crop is small, it is not to be expected that need of new farm implements will be so great as otherwise it might but a price maintained through the summer would help even there.

Investors are looking forward to important advantages accruing to these companies this year from a balance sheet rather than a revenue point of view. With 40,000,000 bushels of wheat said to be in farmers' hands or at their disposal in elevators, it is estimated that the market value of these holdings has increased $16,000,000 in several months. Grain companies likewise are put in a better position and the inventories of flour companies, bread companies, biscuit companies and elevator companies have been made more valuable.

Want $39,000,000 From Farmers

In this connection it is interesting to note the totals which have to be collected by the three farm implement companies and which will be reduced somewhat as soon as farmers get more money; the totals of inventories to be sold and the amounts owing by each company to the banks:

	Receivables* $	Inventories* $	Bank Loans* $
Massey-Harris	16,937,139	13,109,750	6,328,160
Cockshutt Plow	3,573,745	3,044,621	1,376,156
Waterloo Mfg.	1,625,542	574,165	1,464,219
	22,136,426	16,728,536	9,168,535

*As at November 30, 1932, in the cases of Massey Harris and Cockshutt Plow and as at October 31, 1932, for Waterloo Manufacturing. Unpaid call of Sunshine-Waterloo is shown at $100,000, the investment being shown at $350,000.

Profit Period Years Ahead

Drought has accomplished what negotiators of all wheat-growing countries of the world have been unable to do. It is feared, however, that a rising price may make farmers and others forget fundamentals. There are still half a billion bushels of surplus wheat on this continent to be disposed of and if a higher price tempts farmers to increase acreage a bumper crop in 1934 or 1935 might make the situation unwieldy again. The acreage is still too large. It is recalled that after the sharp depression of 1921, it took Massey-Harris three years to get out of the deficit period. There is reason to believe that farm machinery companies will find a similar situation now facing them.

The situation will be advantageous to International Harvester which, both in the United States and Canada, offered to let farmers pay their accounts on the basis of the price of wheat. Massey-Harris Co. plan will be more advantageous to farmers under present conditions as it is continuing this year its policy of allowing a 10 per cent discount on new implement purchases and payments on existing debts, including interest, which are paid in cash.

Banks Will be Helped

Banks will be materially interested in new money going into farmers' hands because of the large loans shown above to farm implement companies. Of the $16,000,000 advance in value of wheat in farmers' hands it will be seen that only a part can be considered available to reduce $22,000,000 of receivables and to buy nearly $17,000,000 of implements and machinery on hand. It is the new crop and prices that will then obtain, which are really of greatest importance. If rains come and leave sufficient crops to get full advantage of whatever the price increase may be in the fall, it will be of distinct benefit to farmers and through them to implement companies, oil companies, mail order companies and all who sell to farmers.

In so far as it lessens the need for further write-offs for bad debts the new situation is cheering aside from the prospect of new sales.

International Pete May Production Up

Production of crude by International Petroleum Co. during May increased over production in April both in Peru and Colombia. May production in Peru was 912,864 bbls. as compared with 818,359 bbls. in April and 757,404 bbls. in May, 1932. In Colombia, May production was 1,169,238 bbls. as compared with 1,093,533 bbls. in April and 1,682,353 bbls. in May, 1932.

New I. B. A. President

WARD C. PITFIELD

Who last week was elected president of the Investment Bankers' Association of Canada. He has spent 20 years in the financial business and 15 years collecting Canadiana. See page 5.

R.B. BENNETT IN LIMELIGHT AT LONDON

But Adverse Propaganda May Hamper Rôle as Mediator

By J. S. GIBBONS
Special Correspondence

LONDON.—Bennett and Chamberlain are two names much discussed in "the city" in this busy month of June.

Bennett for what he may or may not do as mediator between British and American interests at the World Conference.

Chamberlain for what he has done and may do in respect of war debts.

There are many who believe that Canada's prime minister may play the part of liaison officer between United States and British interests. This is an excellent rôle and one which he might properly and usefully assume. A difficulty looms though, for unfortunately in British Government circles much rumor is rife that the chairman of the Ottawa Imperial Conference was exceedingly and unnecessarily rude to the British at Ottawa.

Industrialists Resentful

Then, too, resentment is felt against the leader of Canada's Government in industrial Britain. Many go so far as to feel that he is their chief enemy and a bitter opponent of Imperial co-operation.

The point of view is that the British manufacturer does not mind a straight tariff in Canada, something to which he might adjust himself, but he can not understand the petty regulations, valuations and so forth which are invoked. Rightly or wrongly, manufacturers here seem convinced that Canada's policy is to have Imperial preferential rates on the books in order to make a pretence of co-operation and then to instruct the Customs Department privately to interpret the rates and regulations in such a manner that no British manufacturer shall compete.

Even Canada's high commissioner, it is said, is having a difficult time on this account.

From the Canadian point of view, there is the important fact that Canada is a debtor country and in

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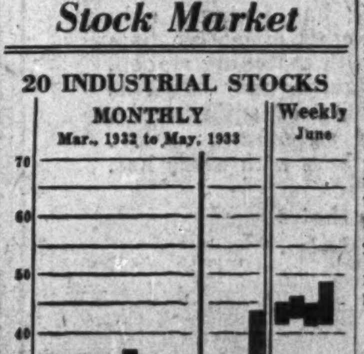
Stock Market



MARKET RECORD

20 Industrial Stocks	High	Low
Week of June 27	48.2	42.5
Week of June 20	45.0	40.9
Month of June, 1932	21.5	18.3
10 Public Utilities		
Week of June 27	53	51
Week of June 20	53	49
Month of June, 1932	39	35
8 Bank Stocks		
Week of June 27	179	176
Week of June 20	180	177
Month of June, 1932	154	143

Canada May Make Conference Treaties; Nationalism Rife

Hope for All Round Tariff Reductions Doomed — Conference May Revise Most Favored Nation Clause in Existing Treaties

MAY FORM INTERNATIONAL TARIFF BOARD

By FLOYD S. CHALMERS
Editor of The Financial Post

LONDON.—Canadian delegates to the world conference here are expected to confer with additional countries on trade treaties before the meetings close, along the lines of the recent agreement with France, according to reliable information obtained here this week.

Such extensions of bilateral agreements are now regarded as the only practical way of reducing tariffs. The reason is that there are more economic nationalists here than Manchester economists of the internationalist school.

Multilateral agreement on a percentage tariff reduction, of all or many of the nations represented, is a practical impossibility.

Private Talks Show Tariff Cuts Unlikely

Private conversations I have had with numerous delegates reveal no fervent desire to implement the general expressions they have made in public favoring general tariff reduction. This despite the fact that tariff reductions would appear to be one of the subjects on which there is some agreement, judging from press reports.

Even at this early date it appears altogether likely that the final tariff resolution of the conference will be vague, committing nobody. An attempt may be made to establish a permanent international tariff commission which would study tariffs and exercise pressure on vested interests and governments through public opinion.

Both a general agreement to reduce tariffs all round, and a permanent tariff commission, are feared by most nations, however. Individual national aspirations are uppermost in the minds of all the delegates, and they think both schemes, or either of them, are likely to interfere with their individual national aspirations.

May Widen Ottawa Pacts

It is this negative nature of private tariff viewpoints, and the likelihood of negative action by the conference on tariffs, which is expected to lead to bilateral treaties. Discussions, for example, now range to the possibility of further extension of the Ottawa Imperial agreements as the British Empire's contribution to tariff reduction. British countries show marked unity in their discussions at the conference. This shows why bilateral agreements are thought the only practical way to lower tariffs.

To simplify negotiation of new treaties, the conference may modify the most favored nations clause in existing agreements. Such clauses are now a definite barrier to the success of such negotiations. Canada's recent negotiation of a trade treaty with France exemplifies this. The greatest difficulty was experienced in granting concessions to the French without opening the gates to cheap goods from Czechoslovakia and Japan.

Although the most favored nation clause was intended to assist tariff reduction, many whom I have consulted here feel that it has the reverse effect.

Russia Gains Ground

The British are expected to lift the embargo on Russian goods, which expires July 1, as a result of the Litvinof conversations with Sir John Simon of the Foreign Office and other British officials. This would merely restore the recent status since the embargo is not related to article 21 of the Ottawa agreements. This article allows participants to the treaty to prohibit entry from a foreign country of goods on which the effects of the agreement have been frustrated by maintenance of prices for such goods through the action of the foreign country.

Viewpoints Conflict

At the very start the conference settled down to a conflict between the two opposing

(Continued on page 12)

Highlights of the Week

Events and Topics That Make News for Post Readers

Wheat Prospects
World and Canadian position of wheat crops and surpluses surveyed. Reasons and results of boom market. Pages 1 and 8.

Building Insulation
Architect suggests new method of combating heating and cooling costs through better insulation. Skating and curling rink costs and upkeep would be reduced. Page 10.

Making Your Will
Save money for your heirs through study of provincial succession duties. Leave estate in trust to avoid double duties. Routine explained. Page 11.

Maritime Market
Exhaustive analysis of business affairs and industrial companies in Maritimes specially reviewed. Better business indicated by The Financial Post index. Pages 13 to 21.

Bankers Meet
What really happens when the Investment Bankers of Canada hold annual meeting. Col. J. G. Weir's address. Personal sketch of W. C. Pitfield and informal photographs. Pages 5 and 9.

Hydro Evades Deficit
Ontario Hydro draws from surplus to avoid deficit. Page 12.

TORONTO CITY REQUESTS BIDS ON $4,886,000

Of Total, $1,000,000 is for Harbour Commission Capital Outlay

City of Toronto is inviting tenders for $4,886,000 of debentures. Of this, $1,000,000 is in 4½ per cent 20-year debentures for the Toronto Harbour Commission for capital expenditures. These will be guaranteed by the city. The remainder, $3,886,000, is in City of Toronto serial debentures maturing from 1934 to 1963, chiefly for local improvements.

It was indicated some weeks ago in The Financial Post that Toronto would be in the market shortly, but it was thought that the amount might have been larger. Tenders are being called at a time when the high grade bond market has reacted slightly from its recent high.

Bids must be made for the entire amount of each issue, and at one price for each. The issues may be tendered for separately. Sealed tenders will be received up to 12 noon E. D. S. T. on Wednesday, July 5. They should be addressed to W. J. Stewart, mayor, and will be received by George Wilson, commissioner of finance.

Dates and Denominations

Debentures will be dated April 1 and Aug. 1, 1933, and the Harbour Commission bonds Sept. 1, 1933. The City of Toronto debentures will be issued in denominations of $1,000, $500 and $100. The Harbour Commission bonds will be issued in $1,000 denominations only. Both issues will be payable as to principal and interest in Toronto. As in the case of other recent Canadian issues, there will be no gold clause, no United States funds.

The city's bonds will be ready for delivery about Aug. 1 and the Harbour Commission's about Sept. 1.

The city's guarantee of the Harbour Commission debentures is made under special statutes of the province of Ontario. The city coun-

(Continued on page 2, col. 4)

Just Think of It!

A LEADING TORONTO FIRM advertised for 50 good seamstresses. Out of hundreds, ONLY SIX WERE FOUND WHO REALLY KNEW HOW TO SEW — had ever been taught how—and these six were foreigners.

Yet over 1/3 of the Toronto taxpayers' money is spent on education—much fancy education. And Ontario holds the world's prize for its school system, made in, but tried out and discarded by Germany many years ago.

If a taxpayer's money is wasted on frills, has he not that much less to spend on employment and purchases?

Remedy? Page Hon. Mr. Henry, P. M. and Minister of Education.

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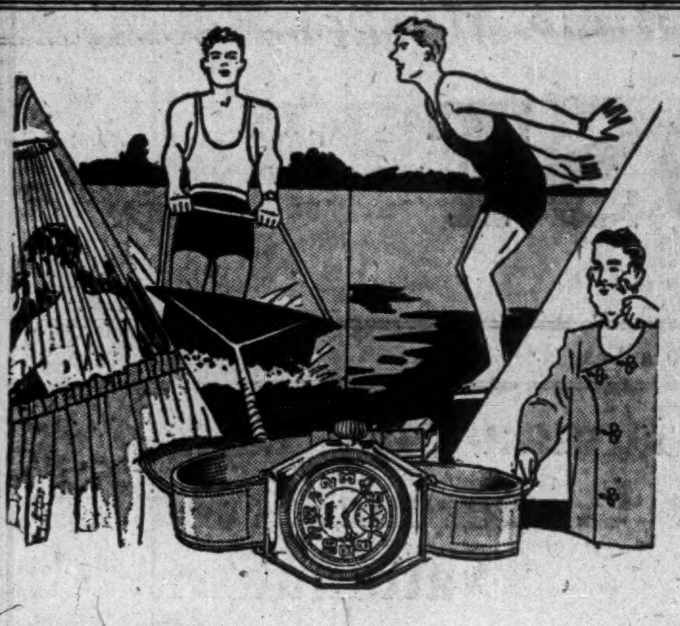

AQUA—

The Outdoor Watch

NOW REDUCED TO $15.00

A new low price on this well known sports watch is news indeed. No need to remove it when you play around for its 15-jewel Swiss movement has been designed to stand up to sudden jars or sudden baths. You never need be without the time if you own an Aqua, and never need you have to try and remember where you left your watch, for an Aqua can be your inseparable companion.

Main Floor—Yonge and Albert Streets.

THE T. EATON Co LIMITED
TORONTO CANADA

The Nation's Business

(Continued from page 1)

ings holds 24 per cent of the existing stock, and in Canadian Bank of Commerce in Oshawa in which the company holds 1,500 shares. They can move elsewhere if they wish but they have been well placed to begin with. Mortgages will be taken over by prominent life insurance companies. An extraordinarily high proportion are in excellent standing in spite of the depression and properties for the most part in Toronto and Oshawa. Debenture holders will find themselves paid off at maturity or at their own convenience. They must find a new outlet for funds and because of that may regret the new move.

Central Canada's decision evidently relates to its holdings of stock in National Trust. There has been an increasing trend of mortgage and loan companies in the last 13 years include trust departments in their structure or to form trust company subsidiaries. Central Canada could not very well do that as it has considerable holding in stock of National Trust Co., and therefore is very much in the trust business in any case. Apparently the principal stockholders of Central Canada have thought it better to withdraw their company from competition in loan and savings business with companies in which they have so great an interest. That has the double advantage of reducing overhead, of increasing good mortgages held by companies capable of continuing adequate supervision and the company can still remain a power in the financial world through its holdings of stock in Canada Life, National Trust and Canadian Bank of Commerce and other companies.

It is to be noted that the president of Central Canada is E. R. Wood, who is vice-president of the Canadian Bank of Commerce and vice-president of National Trust Co. The vice-president is G. A. Morrow, who is president of The Imperial Life Assurance Co. H. C. Cox, another vice-president, is chairman of the board of Canada Life Assurance Co. and Leighton McCarthy, K.C., also a vice-president, is general manager of Canada Life. Names of other directors: W. G. Morrow, E. T. Malone, K.C., W. S. Hodgens, A. B. Fisher, A. H. Cox, Frank P. Wood and Frank McCarthy, K.C.—indicate the important financial connections of the company and that as holding company its scope may be considered still very wide indeed.

It is a gratifying circumstance in connection with the change that arrangements are made from National Trust to take over the loan and savings staff.

* * *

Investment Bankers Should Give Leadership

THE Investment Bankers' Association of Canada held its annual meeting last week at the Seigniory Club, Lucerne-in-Quebec. Some valuable comments on national affairs were contained in committee reports, but unfortunately this material reaches a limited number of people.

There is a great opportunity for this association to increase its prestige and influence by giving leadership on matters of federal, provincial and municipal finance. Substantial achievements have been made by the association in its dealings with governments in this country. But this is known to only a few. The association could well afford to go farther, and bring its efforts to the attention of the public.

Investment bankers themselves cannot experience prosperity until Canada itself is more prosperous. For the country to be prosperous, sound financial policy is necessary, including balancing of budgets and elimination of wasteful expenditures.

The I. B. A. members take sound views on these subjects. But the light is hidden under a bushel as far as influence on public sentiment is concerned.

* * *

ONE notable feature of the annual meeting of the I. B. A. was the absence of many chief executives of leading securities organizations. There is no apparent reason why more of the key men in the business should not attend and speak their minds on national questions of credit and finance. Because of their experience they could do this in an authoritative way and to good effect. If the annual meeting were staged with more of these men in the foreground, it would react to the benefit of the association, of its members and of the country.

The association and Col. J. G. Weir, its retiring president, are to be congratulated on the work done in the past year. Undoubtedly civic and provincial governments have been influenced for the better through the efforts of committees and executives of the association. It is to be hoped that this good influence will be extended.

Can. Packers Starts Payment of Arrears

Declaration of a payment of $1.75 per share on the preferred shares of Canada Packers Ltd. on account of arrears of preferred dividends now amounting to $10.50 per share brings into immediate effect the policy announced in the annual report recently issued. In the report it was stated that the directors feel justified in announcing that the deferred dividends will now be paid, as and when made, over and above the regular preference dividends. Payment on account of arrears will be made July 3 to shareholders of record June 16.

Preferred dividends have been paid regularly since April 1, 1929, but are cumulative from July 1, 1927. Dividends were not paid in 1927 and 1928 as the company, but recently formed, found it essential to build up working capital position. Since March 28, 1928, working capital has been increased from $3,091,778 to $7,130,572.

Canadian Pacific Express Travellers Cheques Are World Currency

Carry them on your next trip and be assured of travel comfort.

Get them from any agent of the Canadian Pacific & most Banks

NATIONAL SYSTEM RECORDS DEFICIT DURING MAY LAST

Net Deficit to End of May $3,849,332 Greater Than in 1932

From Our Own Correspondent

MONTREAL—Returns for the all-inclusive system of the Canadian National Railways during May 1933 show a net revenue of $193,206 compared with $431,030 for the same month a year ago.

Gross revenues for the month totalled $12,260,416, a reduction of $929,107 from the figures for May 1932. Operating expenses, totalling $12,067,210 last month, were $691,283 below those reported for last year, while net revenue was off $237,824 from the new revenue of May last year.

Aggregate Results Lower

Cumulative returns for the first five months of the current year indicate gross revenues of $53,948,849, a decrease of $12,425,929 from the gross of the similar period of last year.

Operating expenses for the five months period totalled $57,913,726 or a decline of $8,576,597 from those reported for the corresponding months in 1932.

Buy? . . . or Sell?

Each week, our bulletin "Market Action" tells you what to do with leading, active stocks such as:

Allied Chemical	General Motors
Amer. Smelting	Goodyear
Amer. T. & T.	U. S. Steel

Write name and address on margin of this ad for Free Sample Copy or send $1 for 4 weeks' trial.

WETSEL Market Bureau, Inc. 603D Empire State Bldg., N. Y. City

Humberstone Shoe Sales At High Level

Sales made by Humberstone Shoe Co. during May exceeded in volume sales made in any other month in the company's history. Profit margin is reported to be low but sales during the current year have been satisfactory. The fiscal year of the company ends on July 31 and it is stated that dividend requirements of $2 per share will be earned with the probability that net profits will approximate the 1932 level when $2.93 was earned on the common shares of which there are 20,000 shares outstanding.

Working capital position of the company has been improved. If operations continue on the present basis it may be necessary to add to the company's plant. Such an addition was announced in 1931 but was later deferred.

FOOD STOCKS HIT NEW HIGHS TRADING ACTIVE

Bakery Issues Take Lead — Chain Stores Are Strong

Stocks of Canada Bread Co. and Consolidated Bakeries Ltd. have led the food stocks in the active sessions of the last few days on the Toronto Stock Exchange, which reached record proportions on June 27. While new highs have been registered by several of the food stocks and most issues have had comparatively heavy trading, some of the stocks have had difficulty in breaking through previous high points as speculative interest was largely confined to the distillery issues.

Both Canada Bread Co. and Consolidated Bakeries Ltd. shares have moved into new high ground under active trading. On June 27, Consolidated Bakeries Ltd. shares sold at a new high of $12¾, which compares with a low for the year of $2 per share. Canada Bread common sold up to $8¼ as compared with a low for the year of $1¼. Canadian Canners common reached a new high of $7½ on small volume with the second preferred stock still under its high for the year.

Chain stores stocks were traded in heavy volume, with Dominion Stores reaching a new high of $23½, while Loblaw Groceterias A stock did not break through its high of $14 and the B stock failed to reach the previous high of $13¾ made during May. George Weston Ltd. common was active, while the preferred reached $83 on small volume. Blue Ribbon Corp. common regained its high made early in June and British Columbia Packers Ltd. common was active.

TORONTO CITY REQUESTS BID ON $4,886,000

(Continued from page 1)

cil requires that the purpose of issues meet with its approval, however, before giving its guarantee. In the present case the capital expenditures involved were approved at a council meeting on March 14. The amount was included in the capital estimates of the city for the current year. It is not stated definitely what the $1,000,000 represents in expenses. But the city's estimates included provision for issuance of $1,500,000 or harbor bonds.

Harbor Bond Issues

The Harbor Commission's debt is $27,000,000 gross, less $4,513,000 in sinking fund, leaving net $22,488,000. Of the $27,000,000 original debt, $25,000,000 was issued under a mortgage trust deed on specific properties under the commission's control. The other $2,000,000 was not so issued, and the present proposed issue is not in the form of a mortgage. In addition to the Harbor Commission's expenditures on the port facilities, the Dominion has spent $8,000,000 on the harbor and shore protection.

Under its guarantee, the city had met $5,390,274 of Harbor Commission debt charges to Dec. 31, 1932. The city states it "will continue this policy so long as the harbor revenues are insufficient to fully meet such obligations." The Harbor Commission has paid $5,420,513 in taxes and local improvements to the city in the period 1912-1932. The value of the commission's land and buildings is now estimated in excess of $33,000,000. This includes leased lands.

Toronto City Issue

While the whole period of maturity of the proposed city of Toronto issue extends over 30 years, it is stated that the average maturity of the whole issue of $3,886,000 is about 12.03 years.

Purposes for which the city debentures are to be issued are clearly shown in the following table:

Purposes for Proposed Issue of $3,886,000 City of Toronto Debentures

Purpose:	Date	Term years	Amount $
Local Improv. ...	Apr. 1, '33	10	19,000
Local Improv. ...	"	10	1,084,000
Pavements	Aug. 1, '33	10	14,000
Main St. Bridge..	"	20	146,000
Police, Fire Dept. Shop	"	20	186,000
Waterworks Bldg.	"	20	410,000
Watermains	"	20	118,000
S'w'ge Disp'l W'ks	"	20	820,000
Hospital Grant ..	"	20	41,000
Watermains	"	30	48,000
Duplicate W'rwks	"	30	1,000,000
			3,886,000

Coupons will be payable on April 1 and Oct. 1, or on Feb. 1 and Aug. 1, according to the date of the various issues.

The city emphasizes in its invitation for bids that it never renews or refunds any of its obligations, but pays them all at maturity. Since Jan. 1, 1919, it states that $118,590,000 of debt has been retired in this way, of which $27,330,000 was before maturity. In addition, bonds of $3,130,000 will mature this year and provision has been made in the estimates for payment of them. Of course the city has continued to increase its debt over the period 1919 to 1933.

CENT. CANADA IS LIQUIDATING LOAN BUSINESS

(Continued from page 1)

$3,800,000, the National Trust Co. will receive:

Cash	$ 850,000
Dominion Govt. bonds	1,700,000
Municipal bonds	490,000
High-grade corporation bonds ..	300,000
Approved first mtges.	550,000
	3,800,000

Pays Bank of Commerce

In consideration for taking over deposit liabilities of $1,000,000 in Oshawa the Canadian Bank of Commerce will receive:

Cash	$ 500,000
Dominion Govt. bonds	150,000
High-grade corporation bonds ..	350,000
	1,000,000

Will Pay Off Debentures

After the transfer of the above cash and securities, the company will have sufficient cash to redeem its entire outstanding debenture indebtedness amounting to approximately $1,000,000. These debentures will be paid off at the earliest date convenient to debenture holders. It is understood that the mortgage loans of the company are in excellent condition and that these will be transferred to certain life insurance companies. Such a transfer would net the company enough to retire its outstanding debentures and leave assets entirely in liquid form with the exception of premises.

As a holding and investment company with no liability to the public other than to holders of the 25,000 shares of $100 par value outstanding the company would begin business with assets of over $4,600,000, including premises valued at $200,000, bonds and debentures, $1,237,000 and stocks valued at $3,612,330.

Controls Canada Life

Major stock holdings of the company at the end of 1931 were the 7,255 shares of National Trust Co., which represent over 24 per cent of that company's stock outstanding; 5,611 shares of Canada Life Assurance Co., out of the 10,000 shares outstanding; 1,500 shares of Canadian Bank of Commerce stock and nearly 12 per cent of the common and preferred shares of Western Assurance Co. On the basis of $174 per share, at which price the stock was last sold, the shares of National Trust Co. have a value of $1,263,270. Canada Life Assurance Co. stock is currently bid around $380 per share, on which basis Central Canada Loan & Saving Co. holding are worth $2,132,180. The Canadian Bank of Commerce shares held at the end of 1931 have a market value of $216,000.

Shares of Central Canada Loan & Savings Co. are closely held and no sales have been made on the Toronto Stock Exchange since 1931, in which year the shares sold at a high of $301 and a low of $290. Directors of the company have wide interests. Four of the directors, E. R. Wood, G. A. Morrow, H. C. Cox and Leighton McCarthy, K.C., are directors of National Trust Co.; three directors, E. R. Wood, G. A. Morrow and H. C. Cox, are directors of the Canadian Bank of Commerce; three directors, E. R. Wood, H. C. Cox and Leighton McCarthy, K.C., are directors of the Canada Life Assurance Co.; and three directors, G. A. Morrow, E. T. Malone and W. G. Morrow, are directors of Imperial Life Assurance Co.

DISTILLERIES RATING HIGH ON MARKETS

(Continued from page 1)

United States—with repeal effective—at 8,000,000 gallons a month. There is less than one month's supply of aged bond whisky on hand and total stocks in the United States are placed at 12,000,000 gallons of which only 4,800,000 gallons are matured. In pre-prohibition days United States distillers are stated to have carried 300,000,000 gallons of spirits in stock. Canada and Scotland will be foreign suppliers until the old balance is restored and whiskies, matured for 4 years or more, it is thought, will be at a premium for several years.

The increased facilities allowed legally to U. S. drug stores in dispensing whisky are lowering domestic stocks in the United States quickly. Though $2.50 has been given as an average price at which such stocks as Canadian distilleries hold, might be valued, it is understood that Canadian Industrial Alcohol refused the recent offer from the United States at that figure, while it is claimed that the fully matured liquors which make about six million gallons of the total in Canada's three largest distilleries could likely ask very large premiums, going up as high as $9 a gallon.

At the same time the Volstead Act has a considerable legal road to travel before final repeal. State after state will probably vote in favor of repeal, but temperance forces will undoubtedly try to stay the tide.

The extraordinary performance on the stock markets of Canada in buying and selling distillery and malting stocks are illustrated in the following table:

DISTILLERY STOCK SALES

	Week to June 5 High	Low	Sales	Week to June 26 High	Low	Sales
Brewers & Distillers	2.12	1.75	61,280	2.25	1.30	72,705
Canada Malting	29½	27	5,516	29	26	7,601
Can. Ind Alcohol "A"	6	4½	37,521	9⅛	5¼	74,625
Distillers Seagram	9¼	8½	9,465	20¾	8¼	142,819
Walker, Hiram, C.	19	16⅝	35,102	36½	17¾	184,907

R. B. BENNETT IN LIMELIGHT AT LONDON

(Continued from page 1)

order to correct an adverse exchange situation, must essentially limit imports and improve the country's trading position. This does not alter the fact, however, that many British industrialists feel something of a personal resentment against Prime Minister Bennett which may mitigate against his taking an important rôle at the World Conference.

Chamberlain Unpopular

Of Neville Chamberlain, there is much intense feeling on the manner in which he has handled the American debt situation.

Admittedly a keen, brilliant figure, he lacks imagination and has apparently failed to interpret correctly the American position. Many of his speeches are considered extremely foolish and to have injured Britain's position. As one leading parliamentarian here said:

"I know that if the United States owed money to Great Britain, I would not go into my constituency and get elected if I promised to write down the debt. Chamberlain apparently does not realize that the American congressman would be defeated if he told his ill-informed voters that he was going to make a gift to the British people of the money owed by them. The British are doing more to bar a war debt settlement than are the Americans."

War Debt Situation

One important example of how it is felt the British have mishandled the debt situation is that time after time they have proclaimed that they cannot pay and will not pay under any circumstances and yet last December they paid in full and just this month they made a payment on account. These tactics, it is said have led America to feel that the British protestations are insincere, and while well-informed Americans are working quietly to sell the idea of debt cancellation or adjustment to the United States public, very little co-operation is being given by Great Britain. One important financier here has expressed it in this wise: "It is no wonder that American resentment against Great Britain is so strong when we attempt to abuse them in ill-tempered language and very thinly disguised propaganda."

American leaders are anxious to dispose of the war debt question. They recognize that the debt cannot be paid and should not be paid and given some co-operation they hope in the course of time to have congress come round to the same view. On many sides, however, there is the feeling that the British press and the British ministers are not helping the achievement of a settlement, by their attitude.

Feel Conference "Torpedoed"

As to prospects for the World Conference, the view of an outstanding financier here is typical of those who are following the situation most closely.

He feels that the United States "torpedoed" the Economic Conference when they went off gold. His viewpoint is that so long as the United States remained on gold there was one stable point in the world from which to start measures for recovery. Unnecessary abandonment of gold, however, plus repudiation of the latter and spirit of all their foreign obligations, has definitely mitigated against the World Conference being the success it might otherwise have been. By reason of America's action, it is felt that there is now no stable factor in the world today and final plans for economic stabilization must wait on some measure of de facto stabilization which will come only after some months.

It is believed that much pressure was brought to bear to have Ramsay MacDonald postpone the World Conference until the consequences of the American action were better understood but this it was felt it was impossible to do.

Doubtful of U. S.

"We have not made up our minds yet about the American inflation programme," this financier says. "In one sense, we feel it is better that Roosevelt should have it under control but we are not at all convinced that he can control it. It is all right to talk about getting wheat up to $1 a bushel and fixing it there, but the effort to put wheat to $1 may start an uncontrolled inflation which would have very serious consequences.

"The success of the Roosevelt programme depends on whether or not it is following with the tide or is an attempt to turn the tide. If business throughout the world has already turned up from quite natural causes and the Roosevelt programme merely speeds up the movement, then it will turn out all right. If it is merely bucking a continued disintegration, the results cannot be good. There are as yet no definite indications as to which is the case."

Regarding political conditions in Great Britain, it is thought by many that the present government will hang on to office as long as it can. During that time party lines will become better defined.

At the next election, it is thought that there will be only two parties, the Conservatives and Labor, and outside a few members who occupy peculiar positions in their constituencies, every one will be aligned with one party or another.

Few attempt to prophesy as yet which party will be dominant. It is felt that the British people did not vote Conservative or even National in the last election, they merely voted against the government and thought they were doing this when they voted against Labor.

. . . has Never Wavered in Its Course . . .

In times of expansion or depression, Canadians have learned to rely upon the unwavering safety and helpful service of the Bank of Montreal.

Older than the Dominion itself, yet young as the latest sound business enterprise of Canada, this Bank keeps strong and efficient by pursuing its traditional policy of banking practice consistent with safety for depositors, and by adjustment of its services to the demands of modern business.

BANK OF MONTREAL
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All-Wool SWIM SUITS 1.95

Welcome savings on a bathing suit for the holiday! Choose from smart new styles in low back and speed models. These are knit of all-wool yarns in a close-fitting stitch. The popular colors include blue, maroon, black and grey. Sizes 34 to 44 in the lot.

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THE ROBERT SIMPSON COMPANY LIMITED

A MID-DAY Bra

Ice cold and sparkling Kuntz's Stone Ginger Beer adds fresh zest to luncheon. It has the English flavour, the wholesome English tang which gives a keener edge to appetite. You'll enjoy it.

Try it with a sandwich or a salad or biscuits and cheese. A bottle of Kuntz's Stone Ginger Beer makes a lunch or a snack more enjoyable at any time.

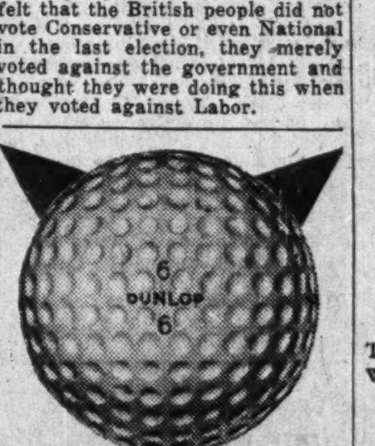
And what is more important, because of its wholesome goodness it gives you that added energy to finish off the day at top speed. Try it. Prove it.

THE KUNTZ BREWERY, LIMITED WATERLOO and TORONTO

Kuntz's STONE GINGER BEER

In Transparent Amber Glass Bottles Visibly Pure Sterilized and Inspected

5¢



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Available in seven ultra-smart styles in a choice of twelve of the newest of the season's shades.

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The Hat That Smiles at Rain

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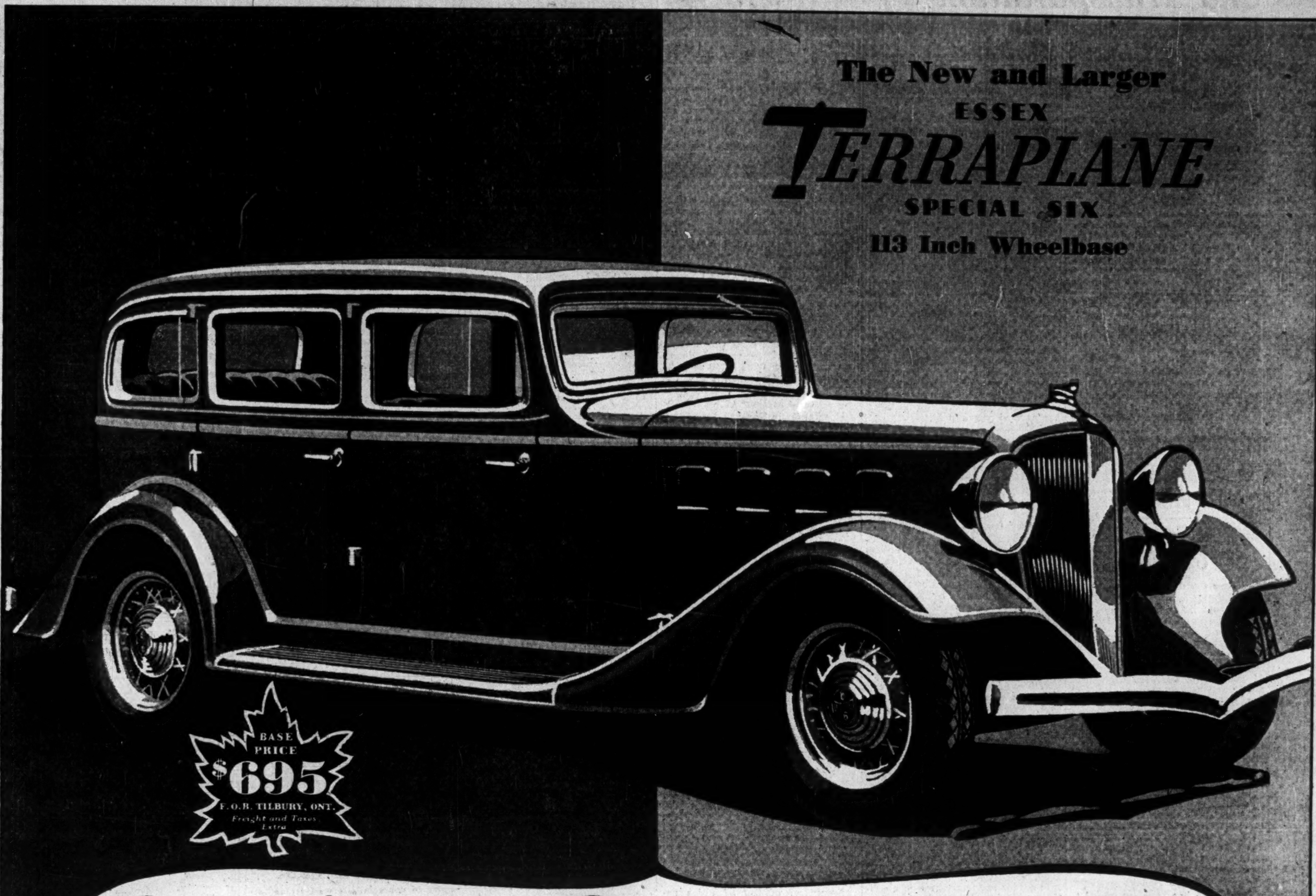


People are Buying this Car

IN INCREASING NUMBERS

Not only because of its outstanding performance, which is admitted by the most aggressive competitors, but also because it is Hudson-built—*and 83.4% of all Hudson-Essex cars ever sold in Canada are still in use:* because 3,000,000 miles of recorded Terraplane travel have proved its ruggedness and operating economy and because the Essex Terraplane Special Six is the longest and roomiest car in the lowest-price field.

OWNER RECORDS PROVE OPERATING ECONOMY

Hundreds of Essex Terraplane owners throughout the North American continent have co-operated with Hudson-Essex to find out the operating economy of the Terraplane under actual owner conditions of travel. These owners have an aggregate of over 3,000,000 miles of Terraplane travel.

Each week for six weeks Terraplane owners have kept a daily log of gas, oil and repair costs sworn to on affidavit form before a notary public.

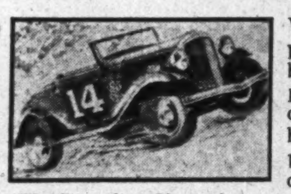
REPAIR COSTS

These records show that in 500,000 miles of recorded Terraplane travel repair costs are less than 1/14 of a cent per mile.

GASOLINE MILEAGE

The records further show that gasoline consumption for city driving varies from 18 to 22 miles to the gallon, and for touring from 24 to 30 miles per gallon. With such proofs of operating economy, is it any wonder that people are buying this Hudson-built Terraplane?

TERRAPLANE SMASHES RECORDS TO DEMONSTRATE OUTSTANDING PERFORMANCE



The Terraplane Six stock car which won the Pike's Peak climb, beating the previous record by 22 and 7/10 seconds.

When Hudson built the first Essex Terraplane, a new kind of automobile came into being in the low-price field. In the Terraplane, Hudson engineers conceived and developed a new principle in motor car building that made possible more power per pound of weight than that found in any other stock car.

Because of this new principle, the Essex Terraplane Six broke famous records in Europe, Africa, Australia and South America for cross country speed and hill-climbing ability. It broke the all-time record for the classic Pike's Peak climb, beating every other stock car in history, regardless of price and size. Ever since, this car and its companion, the Essex Terraplane Eight, have won every contest entered.

Twelve speed and acceleration tests at Daytona Beach brought as many new records to the Terraplane. Thirty-four hill-climbing records made on long winding hills with hairpin curves, around which the cars were literally flung to maintain a speed of almost a mile a minute, attest the superior performance of the Terraplane.

Every one of the records established in the United States were made under the supervision of the Contest Board, American Automobile Association. The Terraplanes which made these records are the same stock cars as those offered for sale by all Hudson-Essex dealers.

WHY THE TERRAPLANE IS FIRST IN RUGGEDNESS

One of the outstanding results of the new principle of *Unit-Construction* is a toughness and ruggedness that make the Terraplane stand up under the hardest use and abuse. A simple illustration serves to describe this principle.

The ordinary house is built by laying a foundation and setting the walls on it, and then putting a roof on the walls. Now, that was also the way cars were built, and, except for the Terraplane, are *still* built. But a skyscraper starts away down at the bottom with a steel framework which is riveted together all the way to the top. In other words, it is one solid unit. That is why it can withstand the severest strains—even earthquakes.

That is how the Terraplane is built—on the skyscraper principle. Instead of just setting a body on a chassis, *Hudson designed a complete automobile with a rigid steel body and a heavy steel frame as a single structural unit.* The Essex Terraplane body and frame serve exactly the same purposes as the reinforced floors and columns in a skyscraper. That is unit-construction. And that is the strongest type of construction ever used in building an automobile. It gives you a sturdier, stronger, more durable car than common practice can produce. *And the Terraplane is the only unit-built car.*

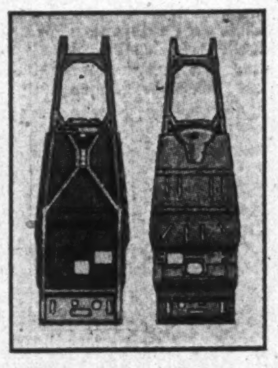


Fig. 1. Fig. 2.

Figure 1 shows rugged X-cross member girder type construction of the frame. Figure 2 shows the heavy sheet of steel joined to the frame.

PREVIOUS RECORD ASSURES TERRAPLANE RUGGEDNESS AND DURABILITY

Today 8 out of every 10 Hudson-Essex cars sold in Canada since 1909 are still running on the highways—an unique record of enduring materials and rugged construction. The same manufacturing brains, the same management that produced every one of these cars launched the Terraplane—assurance in itself of long life and enduring service.

THE TERRAPLANE FRAME

Note the Terraplane frame. It is 6½ inches deep and leads all three other popular makes in depth.

Advances in engineering technique made possible even more rugged construction in the Terraplane than in earlier Hudson-built cars. The type of frame construction used is known as the X-cross member girder type. This type of frame employs the same principle of diagonal cross bracing employed in bridge engineering to add strength and reduce vibration.

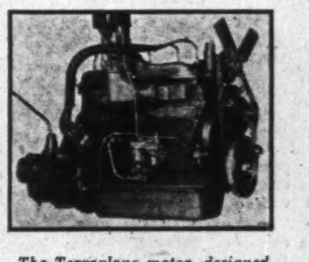
The Essex Terraplane leads all three other popular makes of cars in the depth of its frame. It is ½ an inch deeper than the next deepest of the other three.

The Terraplane frame possesses thirty times the rigidity of the conventional double drop frame. Of all the cars manufactured *only the Terraplane* uses a heavy sheet of steel over the frame welded to the body and joined to the frame at 23 points—the strongest reinforcing used in any car.

HUDSON LEADERSHIP

Hudson has long been recognized a pioneer in the automobile industry. They built North America's original sedan. They built the first coupe. They introduced the coach, the first closed car to sell at open car prices and with it so completely revolutionized the industry that today 90.3% of all cars produced are closed cars.

In 1916 they built the modern high efficiency power plant—the Hudson Super-Six motor. *To date 20 leading car manufacturers have followed Hudson-Essex in building a high efficiency motor* (called by some the high-speed motor). It is interesting to note that while in 1925 only 14 makes of cars had engines turning over 3,000 R.P.M., today automotive trade paper statistics show that among both six and eight cylinder cars 67 makes out of 70 have adopted the high efficiency motor. But only Hudson has the patented "power dome" high compression cylinder head which enables Hudson cars and Essex Terraplanes to develop their full power on ordinary gasoline without fuel knock.



The Terraplane motor, designed to give long life, trouble-free service and smooth vibrationless operation.

OWNER MANAGEMENT

Hudson has no "absentee landlords." The men who build and sell Hudson cars and Essex Terraplanes—the department heads and principal distributors—own and manage Hudson. There is no outside dictation or direction. The management is composed of men who are essentially manufacturers. That is why Hudson-built cars have led in new engineering developments. That is why the Hudson management was able to pioneer again in a new and truly remarkable development in motor transportation—the Essex Terraplane.

FINANCIAL INDEPENDENCE

So efficient has Hudson management been from the beginning that Hudson expansion and the establishment of Hudson-Essex of Canada, Limited at Tilbury have all been financed out of Hudson earnings. Hudson has never had to issue bonds or preferred stock to obtain working funds.

HUDSON-ESSEX OF CANADA, LIMITED TILBURY — ONTARIO

The plant at Tilbury, where manufacturing, sales and service are concentrated.

Hudson-Essex of Canada, Limited, have established their plant at Tilbury under most favourable conditions. There is no excess plant overhead. Sixteen months of manufacturing at Tilbury has provided work for over 80 Canadian supply firms and further sources of Canadian supplies are being sought out as part of a planned development.

This year, with the unification of manufacturing, service, sales and advertising at Tilbury, Ontario, Hudson-Essex has become an integral unit in the Canadian automotive industry.

HUDSON-ESSEX OF CANADA, LIMITED

Tilbury, Ontario

Utilities and Transportation

P. G. E. RAILWAY CHARGING UPKEEP TO CAPITAL FUND

Grant of B. C. Govt. For Line Extension Being Used

From Our Own Correspondent

VANCOUVER. — Although executives of the Pacific Great Eastern Railway were rather pleased recently when they were able to show an operating profit for the first time in many months, the railroad is still costing the provincial government, its owner, more than $2,500,000 a year.

The government has authorized an expenditure of $10,000 on upkeep account this summer, which brings the total borrowings up to $1,261,000 in the last four years out of the $4,000,000 loan which was voted by the legislature in 1928 to pay for extension of the road to Prince George. This extension has been abandoned for the time being, and meanwhile money from this extension fund is being applied to maintenance and operation. Such expenditures are charged to capital and not to operating account.

Heavy Deficits

Latest figures show that operating deficits for the four years to the end of 1932 totalled $240,507. In addition, $1,251,000 has been spent on the existing line out of borrowings, a total cost to the taxpayers of $1,491,507. The railway thus went behind at the rate of $372,877 a year on an average.

In addition, debt charges are now $2,300,000 a year. These include interest and sinking fund of $20,160,000 or the original railway stock guaranteed by the province and on $15,400,000 on borrowings by the government since then.

Operating deficits were as follows: 1929, $55,844; 1930, $50,816; 1931, $65,799; 1932, $68,068. This year, if traffic continues as at present, there should be a substantial operating profit. But the other charges outweigh the operating profits heavily. The recent activity in the mines of Bridge River and Cariboo has resulted in much increased traffic over the P. G. E. this year.

The government is still negotiating with British and American syndicates for sale of the road.

Beauharnois Orders Generators from C. G. E.

From Our Own Correspondent

MONTREAL. — Beauharnois Light, Heat and Power Co. has placed an order with Canadian General Electric Co. for five generators of 50,000 h.p. capacity each. The work will be done at C. G. E.'s Peterborough plant, resulting in a general increase in plant activity and pay-rolls at that point over a period of several years.

Delivery of the first generator is deferred until 1934 and the completion of the other four will follow in 1935. These generators are to be used in order to meet the contract for future deliveries of power, especially to the Ontario Hydro-Electric Power Commission and Montreal Light, Heat and Power Cons.

Bell Telephone Station Cancellations Slow Down

From Our Own Correspondent

MONTREAL. — Cancellations of telephone services on the Bell Telephone Co.'s system have been slowing down lately, according to a statement issued by the company which went on to say:

"Comparisons of the present period with the same period last year shows a distinct improvement in long distance business. The decline which had been continuing for many months, seems to have been arrested, but care must be taken in appraising the significance of this. Certain unfavorable factors of last year may account for the present favorable comparison with 1932. There apparently has been a slowing up in the number of exchange cancellations. This is encouraging, but forms no basis for prediction."

Maritime Telephone Toll Traffic Gains

From Our Own Correspondent

MONTREAL.—Toll traffic of Maritime Telegraph and Telephone Co. during May showed a greater improvement over April than did the corresponding month of last year. The number of calls received totalled 104,039 of which 98,744 were completed or a percentage of 94.8.

In regard to installations the company reports 38,199 stations installed at the end of May, 1933, as compared with 38.245 at the end of the previous month, a net loss of 131. Telephone installations of connecting companies dropped from 6,576 in April to 6,752 in May, a loss of only four, while the Island Telephone Co., a subsidiary of Maritime Telegraph, lost 18 stations during the month, the total installed now being 5,500.

Canadian Airways More Active in April

From Our Own Correspondent

MONTREAL.—Continued increase in operations is reported by Canadian Airways, whose report for April shows 1,528 hours flown or 142,522 miles. This compares with 1,455 hours flown and a mileage of 131,241 in the previous month. For the first four months of this year machines of Canadian Airways have flown 4,623 hours or a total mileage of 423,938.

Mail, freight and express, etc., carried in April amounted to 342,387 pounds compared with 282,597 pounds in the previous month. For the first four months of this year mail, freight and express carried amounted to 917,577 pounds.

The number of passengers carried in April was 620 bringing the total to date up to 2,848.

B. C. Power Earnings on Lower Scale in May

From Our Own Correspondent

MONTREAL.—B. C. Power Corp.'s trend of earnings continues downward, returns for May, 1933, showing gross income of $992,218 compared with $1,100,195 for the same month last year. Operating expenses were reduced by $95,387, leaving net earnings for May, 1933, at $297,932 as against $310,522 for May, 1932.

For the first 11 months of the current fiscal year, ended May, 1933, gross revenue amounted to $11,792,576, operating expenses $6,531,579 and net operating income $5,260,997. For the corresponding period of the previous year gross income totalled $13,087,162 and net operating revenue $5,776,994, or $515,997 more than for the same period this year.

Electric Steam Boilers Are Big Outlet for Power

From Our Own Correspondent

MONTREAL — Electricity used in the electric boilers, nearly all in pulp and paper plants, amounted to 203,370,000 kw.h. during May, according to returns compiled by the Dominion Bureau of Statistics. This is practically the same as in the preceding month and brings the total amount of energy so consumed up to roughly 815,000,000 kw.h. for the first four months of 1933. Comparative figures for the last year are not available.

The output of central electric stations in May amounted to 1,348,807,000 kw.h. This represents a slight increase over the preceding month but is somewhat behind that reported for the same month a year ago.

Of the total amount of energy generated in May, 1,327,235,000 kw.h. was generated by water power. This was distributed by economic areas as follows: Maritime provinces, 50,146,000; Quebec 757,717,000; Ontario 334,654,000; Prairie provinces, 90,707,000 and British Columbia, 94,011,000 kw.h.

Increase in East

Examination of the returns by areas for May shows that the Maritime provinces had a larger output than in any other previous month this year. The same situation applies in Quebec, while the Ontario return was somewhat below the average. The Prairie provinces output in May was the lowest in any month this year, while British Columbia's production was equal to about the average for the past five months.

Some improvement is noted in the export situation during May, exports having amounted to 42,875,000 kw.h. compared with 35,272,000 kw.h. in the previous month. This total is considerably less than that prevailing in May for several years past.

TRINIDAD UTILITY MAY ENTER INTO NEW AGREEMENT

Halifax-owned Enterprise Likely to Continue Operations

From Our Own Correspondent

MONTREAL. — A compromise agreement may be reached between the municipality of Port of Spain and the Trinidad Electric Co. whereby the latter will continue to operate.

Trinidad Electric Co., organized 64 years ago, operates the power and tramways system at Port of Spain, Trinidad. It is owned by Halifax interests. At the beginning of this year it was reported that the company's assets would be purchased by the municipality of Port of Spain, under terms of franchise renewal, and the company wound up.

Under decision of the privy council the municipality could take over the company's property at an arbitrative price and operate, but an offer of the company to reduce electric light and tram car rates in the town has split public opinion toward abandoning this plan.

See No Benefit

Opposition has been expressed to the original plan of compelling the company to surrender the undertaking on the ground that arbitration may cause serious delay and result in litigation dragging on for several years with no benefit to the ratepayers.

A judgment regarding the company's franchise rights, adverse to the company's contention that the franchise was perpetual, was rendered by the privy council in December, 1932. Following the decision the company applied to the government of the colony for a 20-year renewal of the franchise which was granted.

Later, however, the town of Port of Spain stepped into the picture and in view of the decision proceeded with the plan to acquire the property and operate it. If the plan is followed through the company must hand over the property in accordance with an arbitrator's valuation. This the company was prepared to do, according to its last report to shareholders, but developments now indicate that it may continue its operations.

Montreal Power to Take Over Pointe Claire Plant

From Our Own Correspondent

MONTREAL. — Lieut.-Governor-in-Council of Quebec has approved the sale of the Town of Pointe Claire's electrical plant to Montreal Light, Heat and Power Consold. Control of the plant will be taken over at the beginning of August by Montreal Power.

In purchasing the plant Montreal Power has agreed to make a cash payment of $100,000, while for two years the company agrees to turn over the sum of $15,000, part of which is to be raised by a 2-cent per kilowatt hour royalty on all sales of energy. For the next eight years the amount raised by this royalty will be turned over to the town. In addition the company agrees to leave the present poles and other materials of the plant to the city, this being valued at $17,000.

Dosco Secures Order for South African Rails

From Our Own Correspondent

MONTREAL.—Dominion Steel and Coal Corp. has received an order from the South African Government for 3,500 tons of steel rails.

The order received from South Africa, while not large, represents the first order received from that source since England suspended the gold standard in 1931. Officials of the corporation look upon this order as opening up a market with great potentialities.

The new order will take about two weeks to roll and work will be started immediately to ensure early delivery.

During the current week the Sydney blast furnace was blown in, giving employment to about 100 additional men.

Railway Earnings

Canadian National Railways

May—	1933 $	1932 $	Decrease $
Gross ...	12,260,416	13,189,523	929,107
Exp.	12,067,210	12,758,493	691,283
Net ...	193,206	431,030	237,824
Five Months—			
Gross ...	53,948,849	66,374.778	12,425,929
Exp.	57,913,726	66,490,323	8,576,597
Net*	3,964,877	115,545	3,849,332

*Deficit.

Public Utility Earnings

Brazilian Traction

May:	1933 Dollars	1932 Dollars	Decrease Dollars
Gross earn.	2,376,949	2,752,404	375,455
Oper. exp. . .	1,067,569	1,102,831	35,262
Net earn. ..	1,309,380	1,649,573	340,193
Aggre. gross from Jan. 1.	11,474,922	12,703,961	1,229,039
Aggre net from Jan. 1.	6,167,124	7,277,160	1,110,036

Montreal Power Sales for 1932 Hold up Well

From Our Own Correspondent

MONTREAL.—Montreal Light, Heat and Power Consold.'s output of electric energy last year totalled 1,237,890,000 kw.h. This figure includes output generated by the company's own plants, by its subsidiaries, and purchased power. It compared with 1,540,000,000 kw.h. in the previous year, a decrease of only 19½ per cent.

The Government has recently published a list of the 25 largest power companies in respect of output. The figures on Montreal Power show a sharp drop—nearly 50 per cent. This is likely to be misinterpreted as no consideration is given to corporate relation or to purchased power. If these factors are considered, the output of Montreal Island and purchased power from Shawinigan, Beauharnois, etc., would be included in the Montreal Power total.

Montreal Power's supply of energy is divided into two categories. First is the Montreal system which had sales last year of 997,067,000 kw.h. compared with 1,088,240,000 and 1,091,124,000 kw.h. in 1931 and 1930, respectively. The other division covers exports (through a subsidiary, Cedars Rapids Manufacturing and Power Co.) which in 1932 amounted to 240,823,000 kw.h., compared with 451,864,000 kw.h. in 1931 and 547,259,000 kw.h. in 1930. The decline in the latter is almost wholly due to the lower sales of secondary power to the Massena, N.Y., plant of the Aluminum Co., which has been operating on a lower schedule.

CANADIAN FOREIGN PAYS OFF ARREARS PREFERRED STOCK

Holding Firm for Brazilian Cement Makes Heavy Distribution

From Our Own Correspondent

MONTREAL.—Canadian Foreign Investment Corp., a holding company controlling the Brazilian Portland Cement Co., has declared a dividend of 4 per cent on the company's 8 per cent cumulative preferred stock for the half year ending June 30, 1933. Consequent upon this action, the company has cleaned up all arrears of dividends on the preferred stock.

At the same time, announcement was made of an initial dividend of 25 cents a share on the common stock. Both these payments will be made on July 4 to shareholders of record on June 28.

Paid Out Large Sum

These declarations call attention to the substantial amount disbursed by the corporation so far this year. It will be recalled that the payment on the preferred due April 1, 1932, was deferred and none was made until January 18, 1933, when 2 per cent was paid. A similar payment was made March 29, followed by a payment of 4 per cent on June 15. The last-mentioned payment covered the six months ended December 31, 1932, and the present declaration of 4 per cent brings payments up to date and makes a total distribution on the preferred for the first six months of this year of 12 per cent.

These payments, together with interest on the company's debentures and including the common dividend, involve a disbursement by the company for six months of $250,000.

Churchill 1933 Port Charges Soon to Be Announced

It is understood that a definite schedule of rates to be charged at Churchill during the coming season will be announced in the next few days, the schedule drawn up by the Department of Railways and Canals as being likely to be adopted by the grain board.

Following is the rate schedule as drawn up by the Department of Railways and Canals:

1. Only five days free storage to be allowed at the elevator.

2. The charges are to be levied as follows:

a. For the period of September 1 to October 31, 1933, 1-25 of one cent per bushel per day.

b. For the period of November 1, 1933, to July 31, 1934, 1-90 of a cent per bushel per day.

c. For the period of August 1, 1934, to August 31, 1934, 1-25 of one cent per bushel per day.

Scenic Parks Attract

A total of 616,215 persons visited the 18 national parks of Canada in the fiscal year 1931-32. These great reservations cover an aggregate area of 18,000 square miles. Each has its own attractive characteristics. There are three scenic and four animal parks in Alberta, four scenic parks in British Columbia, one scenic park in Manitoba and one in Saskatchewan; one historic park in Nova Scotia and one in New Brunswick, one recreation park in Ontario and two island park units.

Food Costs Increase In Numerous Cities

Rent Reductions at May 1 Fairly General, However—Vancouver Holds First Place as Cheapest of Leading Cities in Which to Live

Vancouver maintained its position as the cheapest city in which to live among eight of the leading cities of the Dominion, according to a compilation, as at May 1, prepared by the Department of Labor, Ottawa, for The Financial Post. Among the other cities for which data are available there are a number of changes, however, from the positions occupied at April 1.

Windsor yields second place to Montreal due to a large rent reduction in the latter city while London moves above Toronto and Hamilton into fourth place for the same reason. Without exception weekly rentals have been revised downward, reduction from $7.50 to $6.25 in the case of London being the greatest.

Gain in Four Cities

Food costs in Toronto, Hamilton, Windsor and Vancouver are slightly higher than at April 1 while in the case of the other cities there is a reduction. Fuel costs in Windsor are higher by 12 cents to $2.51, estimates for the other cities being similar to April 1. Comparative costs of food, fuel and rent for a workingman with a family of five at April 1 and May 1 are as follows:

Living Costs in Eight Leading Cities

	May 1 1933 $	Apr. 1 1933 $	Change $
Vancouver	14.91	14.88	+ .03
Montreal	15.48	15.89	— .41
Windsor	15.49	15.34	+ .15
London	15.61	16.91	—1.30
Toronto	15.99	16.32	— .33
Hamilton	16.46	16.15	+ .31
Winnipeg	16.81	17.67	— .86
Ottawa	16.91	17.07	— .16
Dom. average	15.58	15.74	— .16

In addition to the data available for the above eight cities, cost estimates of food and rent are calculated monthly by the Department of Labor for the 57 leading cities of the Dominion. On the basis of the combined cost of these two items, St. Hyacinthe, P.Q., ranks as the cheapest city in Canada in which to live, at May 1, the total for food and rent amounting to $10.62 weekly, taking the place held by Oshawa on April 1.

Oshawa remains in second place with $10.68, chiefly by virtue of having the cheapest rental figure for the Dominion, while the rise of St. Hyacinthe to first place forces Amherst, N.S., to third position with a total of $11.11.

Seventeen of the 57 cities reported lower rentals at May 1 than at the beginning of the previous month, reductions being scattered throughout the country. The general trend in food costs was upward, many gains among Ontario cities adding greatly to the total of 35 cities in which increases are shown. Reduced food costs are reported from 20 cities while in two the figure is unchanged.

Food and Rent Costs in Leading Canadian Cities

	Food May 1 $	Food Apr. 1 $	Food Change c	Rent* May 1 $
Nova Scotia:				
Sydney	7.29	7.21	+8	5.25
New Glasgow	7.01	7.08	—7	5.00
Amherst	6.98	6.98	...	4.13
Halifax	7.46	7.46	...	8.13
Prince Ed. Island:				
Charlottetown ..	6.95	6.87	+8	5.88
New Brunswick:				
Moncton	7.39	7.30	+9	6.50
Saint John	7.12	7.17	—5	6.00
Fredericton	7.22	7.41	—19	6.25
Quebec:				
Quebec	6.99	7.13	—14	6.63
Three Rivers	6.50	6.67	—17	5.13
Sherbrooke	6.49	6.45	+4	5.75
St. Hyacinthe ...	5.87	5.97	—10	4.75
St. John's	6.01	5.88	+13	6.00
Montreal	6.78	6.81	—3	6.00
Hull	6.34	6.50	—16	6.50
Ontario:				
Ottawa	7.02	7.19	—17	6.75
Kingston	6.41	6.38	+3	5.13
Belleville	6.30	6.10	+20	5.50
Peterborough	6.41	6.32	+9	5.75
Oshawa	6.68	6.80	—12	4.00
Toronto	7.24	7.07	+17	6.25
Niagara Falls ...	6.94	6.99	—5	5.88
St. Catharines ...	7.01	6.88	+13	6.75
Hamilton	7.21	6.90	+31	6.88
Brantford	6.81	6.75	+6	5.88
Galt	6.87	6.73	+14	5.63
Guelph	6.63	6.70	—7	6.25
Kitchener	6.62	6.60	+2	6.50
Woodstock	6.45	6.35	+10	6.25
Stratford	6.71	6.50	+21	6.50
London	6.56	6.61	—5	6.25
St. Thomas	6.91	6.87	+4	6.25
Chatham	6.55	6.51	+4	6.00
Windsor	6.73	6.70	+3	6.25
Sarnia	6.50	6.28	+22	6.25
Owen Sound	6.55	6.31	+24	5.50
North Bay	7.15	7.08	+7	...
Sudbury	7.19	7.15	+4	6.75
Cobalt	7.32	7.54	—22	5.50
Sault Ste. Marie .	6.70	6.93	—23	4.63
Port Arthur	7.34	7.25	+9	6.00
Fort William	7.30	7.29	+1	6.00
Manitoba:				
Winnipeg	6.97	7.08	—11	6.75
Brandon	6.21	6.33	—12	5.63
Saskatchewan:				
Regina	6.62	6.76	—14	6.88
Prince Albert ...	6.52	6.58	—6	5.63
Saskatchewan ...	6.45	6.35	+10	6.25
Moose Jaw	6.90	6.84	+6	6.25
Alberta:				
Medicine Hat	6.66	6.46	+20	5.88
Edmonton	6.66	6.57	+9	6.50
Calgary	6.46	6.39	+7	6.00
Lethbridge	6.50	6.47	+3	5.50
British Columbia:				
Fernie	7.35	7.44	—9	5.00
New Westminster.	7.09	7.06	+3	4.50
Vancouver	7.18	7.14	+4	5.63
Victoria	7.80	7.53	+27	5.63
Nanaimo	7.86	7.53	+33	6.25

*Workingmen's six-roomed houses with modern conveniences.

Quebec Institutes Action On Alleged Coal Combine

Premier Taschereau Issues Instructions to Prosecute Four Montreal Firms — Senator Lorne Webster Interested in One of the Principal Companies

From Our Own Correspondent

MONTREAL. — Four coal companies will be prosecuted by Quebec under the provisions of the Federal Combines Act.

Instructions have been issued by Premier L. A. Taschereau, in the capacity of Attorney-General of Quebec, to take legal action against Canadian Import Coal Co., Montreal, and its subsidiaries, the St. Lawrence Stevedoring Co. and the British Coal Co.; the F. B. Weaver Coal Co.; Hartt and Adair Coal Co. and the Scotch Anthracite Co., of Canada, all of Montreal. Senator Lorne C. Webster is one of the dominant figures in the Montreal coal trade and has heavy financial interest in the first-named company.

This action by the Attorney-General of Quebec follows upon an investigation made by F. A. MacGregor, registrar under the Combines Act, as the result of allegations made by the Hon. Rodolphe Lemieux.

Pass Evidence to Quebec

The investigation opened on December 1 last and meetings, covering four months, were held in Montreal, Quebec, Toronto and Ottawa. The enquiry concluded in April and the registrar reported to the Minister of Labor that in his opinion these companies were in an illegal combine with regard to the importation of anthracite coal into Canada. Hon. W. Gordon told the House of Commons that he had forwarded the report of the registrar to Mr. Taschereau for whatever action the Attorney-General of Quebec decided was necessary.

Several weeks passed without any action being taken. The Quebec Premier stated that he had written Ottawa asking for additional material. Ottawa replied that all the evidence had been turned over to the Quebec Government. Mr. Taschereau then endeavored to have Mr. Gordon, Federal Minister of Labor, give his opinion as to whether or not the companies concerned were guilty of a combine. Mr. Gordon would not give an opinion, stating that it was the responsibility of the Quebec Government to determine whether or not a combine existed, upon the evidence submitted by the registrar.

PRICE BROTHERS TRUSTEES AGREE ON OPERATIONS

Seek Authority to Borrow Up to $4,000,000 from Bankers

From Our Own Correspondent

MONTREAL.—Hon. Gordon W. Scott, trustee in bankruptcy of Price Bros. and Co., and the Montreal Trust Co., trustee for the holders of the company's first mortgage bonds, have reached an agreement to continue the financing and operation of the company. This agreement has been ratified by Wilfrid Edge, K.C., registrar of the Bankruptcy Court.

The petition presented by the trustee in bankruptcy also asked for authorization to borrow further amounts up to $4,000,000 for the operation of the company and an agreement with the Montreal Trust Co., the Bank of Montreal and the Royal Bank of Canada concerning the security to be offered for these loans will be gone into.

Meet Terms of Deed

Montreal Trust Co. in its petition stated that it was the trustee of the first mortgage bonds under trust deed passed in 1923 and that under this deed it held a lien on specifically mortgaged premises. Price Bros. had defaulted payment of interest on these bonds in November, 1932, and the aggregate amount at present outstanding was $11,061,500. Under the terms of the trust deed, the petition pointed out, Price Bros. was bound and obligated to yield up possession of its properties and conduct of its business to the petitioner whenever the latter had the right of entry under the provision of the deed.

The petition presented by Hon. Gordon Scott took notice of the judgment on the petition of the Montreal Trust Co., and asked that in the interests of the creditors and shareholders the trustee in bankruptcy be authorized to enter into an agreement with the trustee of the bondholders to carry on the affairs of the company.

Syndicates Show Interest

Meantime, as pointed out in The Financial Post last week, a number of groups are interested in the future control of the property. R. O. Sweezey, Montreal, is reported to be at the head of one syndicate which is stated to be actively interested in arriving at an arrangement with the bondholders' committee. The Duke-Price Power interests, and an English group also are said to have evinced an interest in securing control of the property.

Trade Board Head Praises Post's Work

High tribute to the important contribution made by The Financial Post in its periodic reviews of Newfoundland trade and commerce was paid recently by Raymond Gushue, LL.B., leading barrister and solicitor of St. John's. Mr. Gushue is president of the Newfoundland Board of Trade for 1933.

To a representative of The Financial Post, he said:

"The Financial Post in its series of special issues makes a distinct and unique contribution to the trade and commerce of the two sister Dominions, and one which cannot be too highly praised."

Africa Buys Lumber

British Columbia's percentage of lumber shipments to various markets in 1932 are reported by the Pacific Lumber Inspection Bureau as follows: Africa, 73 per cent; Australia, 90 per cent; Central America, 100 per cent; China, 48 per cent; India, 23 per cent; Japan, 31 per cent; New Zealand, 88 per cent; South Sea Islands, 59 per cent; United Kingdom, 61 per cent and West Indies 100 per cent of the total shipments made by British Columbia, Washington and Oregon.

ROGERS-MAJESTIC OPERATING COSTS REDUCED 40 P.C.

Larger Loss in 1932 as Sales Dropped 36 p.c. in Dollar Volume

Rogers-Majestic Corp. had a loss of $313,791 in the year ended March 31, 1933, which compares with loss of $179,072 in the previous year, despite reduction of 40 per cent in operating costs. The number of radio sets manufactured by the company dropped 33 per cent and dollar volume of sets sold dropped 36 per cent. All manufacturers of radios in Canada were hard hit in 1932 and total number of sets sold in Canada dropped to 133,454 from 286,122 in 1931, a drop of 53 per cent, while dollar value of sets sold was reduced to $6,758,959 from $18,141,347, a decline of 63 per cent. As a result of business conditions in the industry there were fewer manufacturers at the end of 1932 than at the end of 1931.

The consolidated surplus account shows full provision has been made for depreciation reserve with which is included reserve for bad debts. Reserve for depreciation, as shown in the balance sheet, has been increased by $69,986 so reserve for bad debts approximates $87,231, as compared with provision of $31,096 for the same item in the previous year. Consolidated surplus account is as follows:

Consolidated Surplus Account Years Ended March 31

	1933 $	1932 $
Net loss	318,791	179,072
Add: Deprec. & bad debts res.	157,221	92,047
Tax reserve	3,366	4,678
	474,378	275,797
Add: Dividends	....	75,330
Loss for year	474,378	351,127
Previous surplus	528,472	908,861
Less: Invent. adjust. .	7,976	14,872
Inc. tax adjust. ...	1,927	14,390
Surplus forward	44,191	528,472

As a result of losses, working capital position has been substantially reduced although a ratio of 7.74 to 1 is shown between current assets and current liabilities. Cash has been reduced to $34,812 from $192,409 shown in the previous year. Accounts and bills receivable and inventories are lumped in one item and shown at $829,673 after provision for bad debts reserve. In 1932, these items were carried at $1,165,305. Current liabilities consist only of accounts and bills payable shown at $111,600. Working capital position is as follows:

Working Capital as at March 31

	1933 $	1932 $
Current assets	864,485	1,357,714
Current liabilities	11,600	128,676
Working capital	752,885	1,229,038
Ratio	7.74—1	10.55—1

Land, buildings, machinery and equipment are valued at $919,833 subject to depreciation reserve of $288,999. Investments at book value are shown at $102,009 an increase from the $68,150 shown in the preceding year. Patents, processes and premium on shares of subsidiaries are carried at $845,003. Unearned income, carried as a non-current liability is down to $11,645 from $18,892. There remain outstanding $115,355 shares of class A and 10,194 shares of class B stock carried at $2,225,228. Capital surplus remains at $49,667 and earned surplus is down to $44,191 as shown above.

Note: See Page 2 for information as to how a complete analysis of this company can be obtained.

4.58% Yield—

Province of Ontario
4½% Bonds due June 1st, 1950

Ontario's high credit standing, and the regard in which the bonds of the Province are held by investors may be attributed in large measure to the wealth of the Province and its satisfactory financial record.

Price: 99 and interest, yielding 4.58%

Mail enquiries receive prompt attention.

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Vancouver Tax Receipts Above Level of 1932

City tax collections in Vancouver give a fairly good idea of conditions this year as compared with last. For the first five months of 1932, direct collections on taxes amounted to $531,192, compared with $508,979 in the same period as the previous year, an increase of 4.5 per cent.

Deposits on arrears and current taxes for the first five months of 1932 amounted to $385,773, for the same period in 1933 they totalled $972,,034, an increase of more than 150 per cent. Part of this large increase was due to the fact that the city increased the interest rate from 4½ to 5 per cent for 1933, it is stated.

B. C. Apple Growers Close Poor 1932 Season

Okanagan Valley apple growers received the smallest return in 1932 for their products of any year since 1922, it is announced following the closing of the 1932 apple season by the Associated Growers. Final payment by independent houses revealed the lowest prices received by producers for many years and broadly speaking, final payment to co-operatives will amount to practically nothing.

Probability of the much smaller crop this year is the one bright spot of the outlook so long as stabilization of the industry can be brought about. Betterment of general conditions resulting in increased market is also being looked for by growers. Any improvement in the cash position of farmers in the prairie provinces will greatly assist growers. It is pointed out that 80 per cent of the shipments to the prairie market in the past season were boxed with the result that the average price growers have received for all varieties is well below 25c per box.

Kingston Elevator Seek Bonds for Sinking Fund

From Our Own Correspondent

MONTREAL. — Kingston Elevator Co. is in the market to buy its own 6 per cent 20-year first mortgage bonds on account of sinking fund, $27,000 having been paid over to the trustee for that purpose.

This company, a subsidiary of Canada Steamship Lines, erected an elevator at Kingston, Ont., with a capacity of 2,500,000 bushels. The property was bonded in May, 1930, to the extent of $1,500,000. At the end of the last fiscal year the company had outstanding a bonded debt of $1,457,000.

Abitibi Power & Paper Company, Limited
TORONTO, ONT.

Owning and operating mills at

Murray Bay, Que.
Beaupre, Que.
Sturgeon Falls, Ont.
Espanola, Ont.
Sault Ste. Marie, Ont.
Iroquois Falls, Ont.
Smooth Rock Falls, Ont.
Fort William, Ont.
Pine Falls, Manitoba

Daily Capacity 2200 Tons Newsprint
Groundwood Pulp
News Sulphite Pulp
High Grade Bleached Sulphite Pulp

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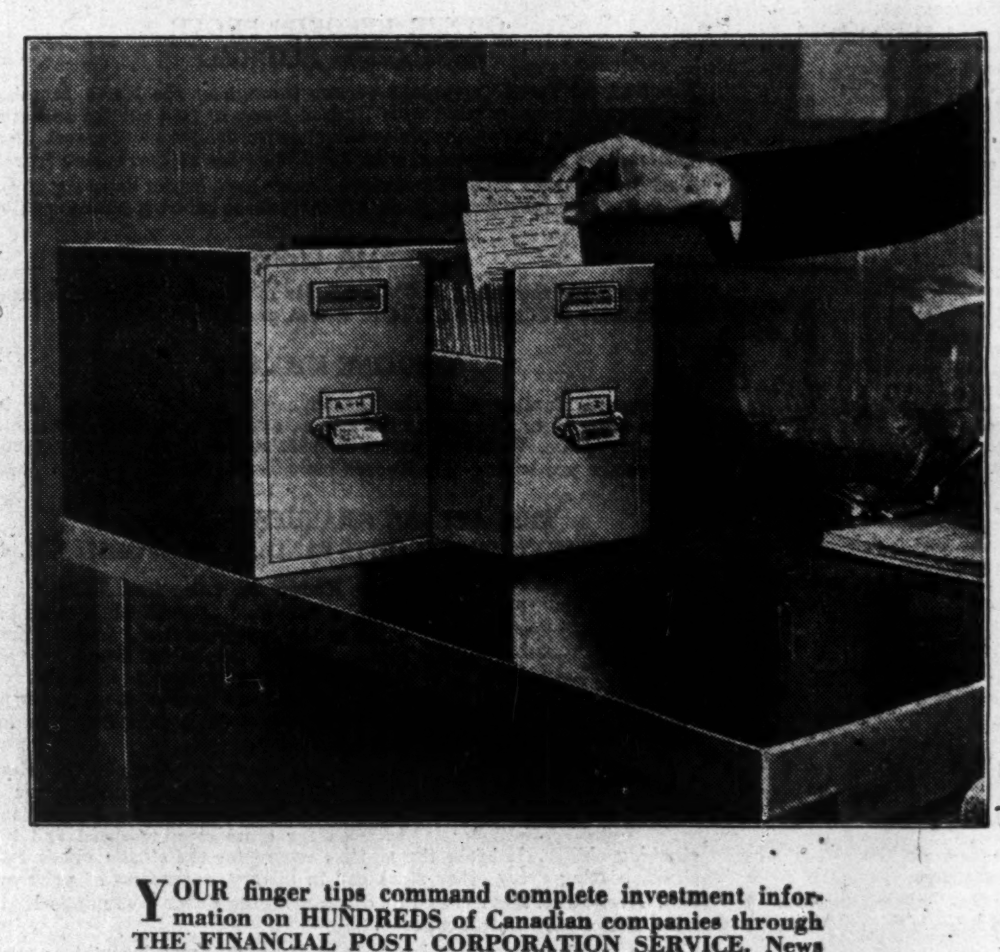

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Canadian Investment Bankers' Annual Meet at Lucerne

WEIR URGES BOND MART FOR FUTURE

Col. J. G. Weir Suggests Standards to Measure Security Values

SEES TRADE REVIVAL

Approved Blue Sky Legislation and Admits Past Errors of Dealers — All to Blame

Address of Col. J. G. Weir, retiring president, at the annual meeting of the Investment Bankers' Association of Canada

On the occasion of our last annual meeting, we were far from happy about general conditions in Canada, although our own business was somewhat improved over the year previous. On this occasion, however, I think most of you will agree with me that not only is there a much more optimistic feeling but the bottom of the depression appears to have been reached and a definite and fairly general improvement in business is quite apparent.

Notwithstanding the difficult year through which we have passed, there has been comparatively little shrinkage in the number of our members. Our membership now stands at 121 (in which are included 19 branch offices) as compared with 128 a year ago, or a net loss of 7 members.

The problems with which we have had to deal during the year have arisen in the main as a result of the changed conditions brought about by what has come to be recognized as the greatest dislocation in the business world within the memory of those living today. These problems have been largely questions dealing with legislation, taxation, etc.

As has been the case after all previous depressions, there has been an outcry against conditions which permitted such violent fluctuations, upheavals and eventual reverses which have been common to all walks of life. They have inevitably been followed by recriminations, investigations and by attempts at remedies with varying success.

Protecting the Investor

The past year has seen a decided tendency on the part of our various governments and those of neighboring countries to protect the investor by legislation.

In Ontario there has been appointed in recent years a securities commissioner who is making a special study along these lines. Your association has gladly cooperated with the commissioner in his effort to protect the investor from unscrupulous promoters, from mistakes of judgment, and from mismanagement, by drafting legislation which it is hoped will help to attain this object. In May, for example, legislation was passed restricting house-to-house canvass. The association co-operated in the drafting of this legislation, the purpose of which is to protect the small investors — particularly those more remote from the financial centres and those who do not follow closely security price movements.

The Ontario Securities Commissioner is to be congratulated upon the splendid work he is doing and he has been assured of our hearty co-operation. It is recognized that a good measure of responsibility of keeping up the prestige and ethics of the business lies within our own ranks and cannot be accomplished by legislation alone because legislation, to be effective, often is sufficiently arbitrary to restrict legitimate business.

Information Standardized

Legislation with a view to protecting the investor has been supplemented by the adoption by our association of certain standard information in easily comparable form so that the merits of various securities may be more easily ascertained. This applies especially to municipal securities and we might very well go farther and I would recommend to the incoming executive the consideration of the adoption of standards for the guidance of both the investment house and the public in judging the merits of new issues of corporation securities, having in mind such points as —

(a) Appraisal or valuation of assets — in the past these varied tremendously and were very often much too generous.

(b) Expression of earnings both before and after depreciation — frequently earnings were expressed only before depreciation, a none too conservative practice and a wholly misleading practice in the case of offerings of preferred or common stocks.

(c) Working capital position and future requirements to be clearly indicated.

(d) More conservative estimates of earnings.

(e) Financial particulars to be more uniformly set out.

(f) The important facts should be given in short, brief sentences always in the same consecutive order and not covered up by lengthy legal phrases which are confusing to all but trained legal minds.

Dual Position Unfair

It might also be considered as to whether or not an investment house should be confined to the financing of the legitimate requirements of industry in relation to its normal growth. It is extremely difficult for the investment house to properly serve its normal purpose when in the dual capacity of proprietor of the enterprise and vendor of the senior securities. Can he place a fair market price upon the different classes of securities which he offers to the public under these circumstances when self-interest is extremely difficult to efface?

Formation of Bond Exchange

With a view to further improving conditions in our own business and the relationship between the investment house and the investor, a good deal of consideration has been given by many of our members as to the advisability of the formation of a bond exchange.

Our large organizations are to a great extent the result of a mushroom growth. Our sales forces existed comfortably largely on the profits of the original issues at a time when it was more a matter of taking the orders than selling and easy profits results. In slack periods between new issues, the secondary marketing was done and continues to be done for the most part at a profit which is totally inadequate. The profit obtained by the investment houses in making secondary markets is frequently much lower than that obtained by brokers in stock exchange transactions. This is not generally realized but is a fact, nevertheless.

After a boom period such as we have passed through, where expenditures were made far in advance of our need, it is hardly to be expected that the volume of new issues will be at all comparable with the boom years prior to 1929 and in consequence it would seem highly desirable that the old issues, trading in which comprises a large part of our present business, should be bought or sold at a reasonable margin of profit. For this reason the formation of a bond exchange is worthy of consideration.

Many Advantages

A bond exchange would have many advantages both to the public and to the investment houses. The present system is harmful to the investor in that it puts a premium on the sale of the least desirable securities to the public because the profit from the sale of the best grade securities is insufficient.

The present system lends itself to the criticism of self-interest on the part of the dealer or banker because he generally owns the securities he recommends whereas, under the proposed new system, he would be acting mainly in the capacity of an agent and the theory is that as such his advice would be less apt to be biased.

Under the proposed new system official quotations and volume of sales would place the investor in a better position to judge the desirability of the security, especially from the viewpoint of price range and marketability.

The proposed new system would ensure that the investor get the best existing market price. Under our present system, competition has been so keen that, in order to make a reasonable profit, it is frequently necessary to take a liability totally unwarranted in relation to the possibility of loss. This system cost huge inventory losses during the past three years. Our present system lends itself to price-cutting, rebates and unethical practices which are undesirable and unfair, both to the dealer and to the investor.

Responsibilities of Investment Banker

In this country, as in the United States, there has been a tendency on the part of some investors to blame the investment banking fraternity for all of their financial and business troubles. It is true that we must accept a certain amount of criticism for mistakes of judgment but in the later years of the depression it became more and more apparent that the investment banker was only one of many who did not foresee the full extent of the trouble into which the whole world was to become submerged and in this we were not alone but had with us leaders in commerce, industry and finance in practically every country.

The severity of the depression and the gradual belief that it might be prolonged brought with it the realization of the necessity to adjust our business to the changed conditions in order to avoid similar calamities in the future or to take such steps as to ensure that they will at least be minimized. The executives therefore in the various districts and the members generally have given a good deal of thought and study to the problems of the investment business, not only as they affect ourselves but as to how best to serve the interests of the investing public.

The heavy debt created as a result of the war and its consequent aftermath of expenditures necessitated the raising of huge domestic loans through a nation-wide sales organization combined with patriotic appeals. The result was a success beyond the wildest imagination of even the most optimistic. Thousands of new bond buyers, which it would otherwise have required years to develop, were created almost literally overnight.

Many of those who volunteered to assist in selling the loans and who proved especially apt at selling, decided to take up this profession. The result was that the huge selling machines which were formed disbanded only in part after each successive loan.

Competition for Business

The competition for new issues to feed these over-developed selling organizations, combined with a very much broadened demand from a newly educated public, in the first place for government and municipal bonds, followed later by a demand for industrial bonds and other forms of securities, tempted extravagant expenditure out of all proportion to that which would be reasonable in ordinary times, much less under present abnormally depressed times.

As a result, one of the greatest problems of the large public borrowing bodies of the Dominion today, such as the federal government, the provincial governments and large cities, is the heavy percentage of fixed interest charges on their debts in relation to the total annual expenditures and among private borrowers in relation to their present earning power. This heavy debt burden is due in a large measure to the fact that the placing power of the investment houses and the banks (who had by this time nearly all entered into competition with the investment houses) had become so great that very frequently too great consideration was given as to whether or not the bonds could be sold rather than as to whether or not the bonds should be sold. This criticism applies not only to the investment houses and bankers who distributed the securities but to the borrowers, to their financial advisers, to the taxpayers, to the non-discriminating investor and to the public who demanded expenditures for various undertakings and conveniences which now appear as luxuries.

Central Loan Board

There was no body of public opinion nor any controlling body to warn against these unwise expenditures which were so freely entered into. The financial advisers were in the main acting in the dual capacity of counsellor and distributor of the securities so that they were open to the criticism that their advice might not be disinterested. The situation leads one to believe that this extravagant borrowing would have been greatly curbed had we had in this country some central loan or commission body—as they have in England—with the power to regulate public issues.

In Great Britain one of the duties of the Bank of England has been to curb expenditures of both public and private bodies and it is generally recognized that their powers in this connection have proved very satisfactory, especially during the last year or so and our situation in Canada leads one to believe that some central loan board or commission in Canada with similar powers would have called a halt to many expenditures which are now seen to have been unnecessary. Consideration should be given to some such system so that the mistakes of the past might be minimized in the future. Control of this nature undoubtedly would have lessened the number of defaults which, although comparatively small in percentage, are serious enough not only to the investor and to the progress of this country, but as a deterrent against recovery from the depression. It is considered, therefore, that it might well prove to be in the interests of the borrower, of the taxpayer, of the investor and of the distributing investment houses and banks if some such central control were in existence in this country.

Dominion Conversion Loan

Notwithstanding frequent announcements to the contrary by the finance minister, there seems to be a misunderstanding on the part of some people as to the extent of the proposed conversion loan. That there is no thought of forcing all present holders of Dominion bonds to exchange into new bonds bearing lower interest is abundantly clear in a statement made by the Hon. Mr. Rhodes in the house last month. It reads as follows:

"When the opportune moment arrives we propose to offer a conversion loan to the public of this country but it will be on a basis that will keep faith with investors and will not in any sense involve repudiation of existing contracts. Under such conditions the issue can be made, it is believed, at a rate which will involve a substantial saving to the public treasury."

The proposed conversion as announced has to deal only with maturing bonds which fall due this year and, if the market warrants, those falling due in 1934 may be included. Holders of maturing bonds will have the right to accept cash or to accept in exchange new Dominion bonds at their own option.

Borrowers Should Keep Faith

Under existing conditions there is perhaps a tendency on the part of irresponsible or unthinking members of government bodies which are greatly oppressed by the burden of their debt to seek relief through repudiation of at least a portion of their contract. There is a tendency on the part of others to make no very serious efforts to meet the terms of their obligations.

It must be borne in mind that present conditions are temporary and every effort should be made to properly discharge contractual obligations. Impairment of credit resulting from deliberate failure to meet payments of interest or principal when due and rightfully expected has a very lasting effect, and results in costly borrowing for years thereafter.

Fortunately, in this country the sacredness of contracts has been well maintained so that the credit ranking of our various governments and larger cities compares very favorably with that in other countries.

Lower Interest Rates

Notwithstanding the panicky conditions brought about by the unprecedented so-called bank holiday in our neighboring country to the south our bond market retained its equilibrium extremely well, with only a minor reaction.

The trend of bond interest rates is of great interest to Canada at this time in view of the relatively large percentage which interest charges bear to our income and to the fact that this year and next year, in addition to a substantial amount of money to be raised, Canada has refunding operations of major importance.

The trend of interest rates, fortunately for borrowing bodies, has been downward not only in this country but generally throughout the world. This trend has been accelerated in this country by the reduction of bank interest rates from 3 to 2½ per cent and trust and loan company rates from 4 to 3½ per cent.

The hope has been expressed that the new loan might be made at interest rates ranging from 3½ per cent on a short date issue to 4 per cent on a medium or long-date loan. There would seem to be no reason why these rates should not be attained although it may be necessary to further reduce bond interest rates, call loan rates, etc., in order to drive surplus capital into investment channels. Some favorable factors which would indicate lower interest rates and consequent higher bond prices are:

1. A surplus of idle money seeking safe investment. This is common to most countries.

2. Decreasing supply of new issues.

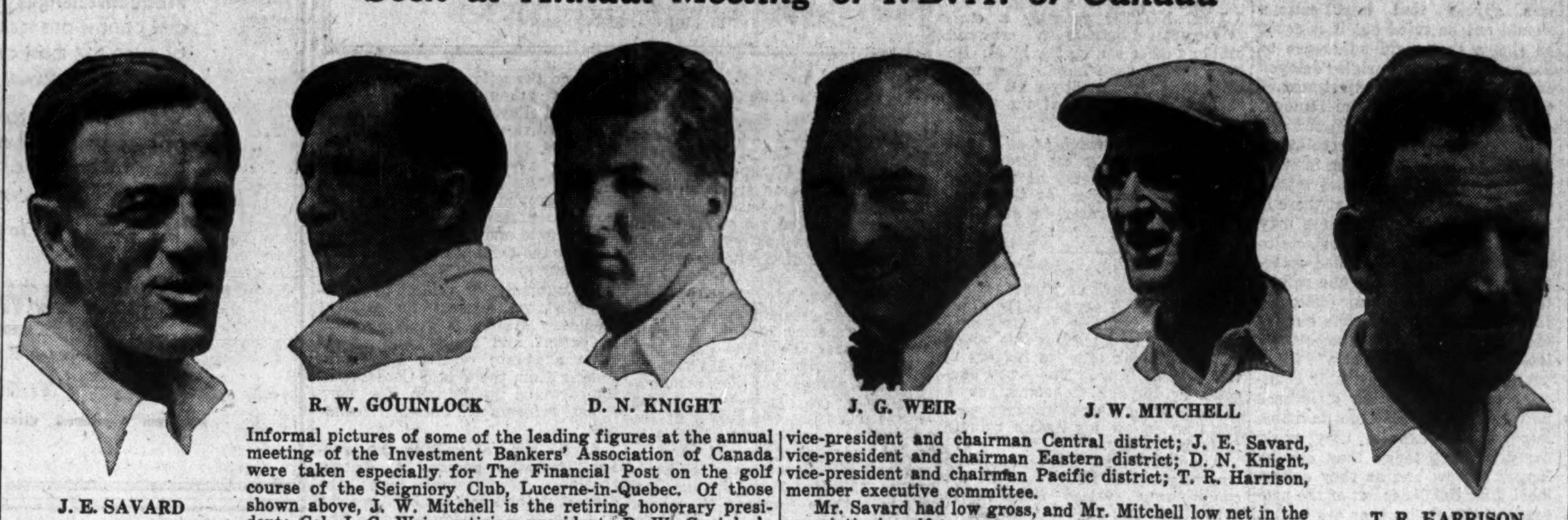
3. Improved financial position of most of our governmental bodies—that is to say, more nearly balanced budgets.

4. Possibility of borrowing a substantial portion of our requirements in the London, England, market where there is an abundance of money seeking satisfactory investment at rates considerably lower than here. It must be borne in mind that United States inflation is bringing the Canadian dollar closer to the pound so that it may be possible to market a good portion of our government bonds in London, England, in the near future.

5. Improved business, while not sufficient to use our surplus money, will improve our taxing power and with it the financial position of our borrowing bodies.

If we are to follow the pattern of the money markets after previous depressions of great severity, we will have a long continued period of low money rates and high bond prices. For example, in October, 1897, Canada made an issue of bonds in London, bearing a coupon rate of 2½ per cent and for many years thereafter interest rates remained very low.

Seen at Annual Meeting of I.B.A. of Canada



J. E. SAVARD — R. W. GOUINLOCK — D. N. KNIGHT — J. G. WEIR — J. W. MITCHELL — T. R. HARRISON

Informal pictures of some of the leading figures at the annual meeting of the Investment Bankers' Association of Canada were taken especially for The Financial Post on the golf course of the Seigniory Club, Lucerne-in-Quebec. Of those shown above, J. W. Mitchell is the retiring honorary president; Col. J. G. Weir, retiring president; R. W. Gouinlock, vice-president and chairman Central district; J. E. Savard, vice-president and chairman Eastern district; D. N. Knight, vice-president and chairman Pacific district; T. R. Harrison, member executive committee.

Mr. Savard had low gross, and Mr. Mitchell low net in the association's golf tournament.

Investment Bankers Prompt To Dispatch Convention Business

By C. W. STOLLERY

LUCERNE-IN-QUEBEC.—Short shrift was given to much routine business of the Investment Bankers' Association of Canada at their annual convention held at the Log Chateau of the Seigniory Club last week. There were 38 items of business, including committee reports, on the agenda for the annual meeting itself. All of it was concluded in one hour.

A Toronto stockbroker and a banker suggested to me before I left for Lucerne that it would probably not be advisable to mention finance at the convention. But such was not the case. A substantial amount of business was done. But some of the most intersting parts of it were carried on without ostentation.

Business Thursday and Friday

The business of the gathering was all finished between Thursday morning and Friday noon, June 23. Standing committees met Thursday morning in the ballroom of the Log Chateau. In the evening, Col. J. G. Weir, retiring president, gave a dinner for the outgoing executive, followed by a meeting of the executive committee in private. It is understood that serious business was discussed at this meeting, but its nature is not disclosed. The executive meeting is where the real business activities of the convention take place. The annual meeting the next day is largely of a routine nature.

At the actual annual meeting, on June 23, Col. J. G. Weir, retiring president, occupied 20 minutes in delivering a comprehensive address. Following the report of the honorary treasurer, A. H. B. Mackenzie, of Montreal, W. C. Pitfield set a popular example when he moved that his report be taken as read, since it had already been circulated among the members. Others immediately followed suit.

J. W. Mitchell of Dominion Securities Corporation, Toronto, gave his report, as chairman of a special committee on transfer taxes, verbally from notes. Followed a succession of other business, including election of officers, auditors, and so on, which was dispatched in record time. The meeting started at 11 a.m., was all over at noon.

J. T. White Address

J. T. White, K.C., capable Controller of Revenue of Ontario, was the principal speaker at the annual dinner, Friday evening. His subject was "taxation," which he successfully made as entertaining as possible at a time when it is highly unpopular.

W. C. Pitfield, Montreal, who was elected president of the association, also spoke at the dinner. His remarks were directed against excessive legislation which hampers investment, and are paraphrased elsewhere in this issue.

Like the delegates to the London Economic Conference, those at the convention did not suffer for want of diversions. Golf, fishing, swimming and other relaxations were popular. The annual golf tournament of the association was held on the links of the Seigniory Club on Saturday morning. J. E. Savard, Montreal, and J. W. Mitchell, Toronto, were the winners of the gross and net competitions respectively.

A large number of the members of the Montreal Bond Traders' Association joined the I. B. A. men at Lucerne on Friday and Saturday. At the annual meeting J. M. Duff Wood, Montreal, reported that the Montreal bond traders fully approved uniform regulations for delivery of securities between I. B. A. members recommended by the committee on business conduct.

WARD C. PITFIELD MADE PRESIDENT INV'T BANKERS

Vice-Presidents J. E. Savard, R. W. Gouinlock, J. Gillespie and D. N. Knight

By Staff Editor

LUCERNE-IN-QUEBEC—Ward C. Pitfield of W. C. Pitfield & Co., Ltd., Montreal, was elected president of the Investment Bankers' Association of Canada at the annual meeting of the association.

Vice-presidents were elected from each of the Eastern, Central, Western and Pacific districts. They are: J. Ernest Savard, Ernest Savard Ltd., Montreal; R. W. Gouinlock, Bell Gouinlock & Co., Ltd., Toronto; John Gillespie, Bell, Gouinlock & Gillespie, Winnipeg; D. N. Knight, Wood, Gundy & Co., Ltd., Vancouver.

Other members of the executive committee of the association consist of groups representing each of the districts, except the Pacific, of which D. N. Knight is the sole representative. Committee members, other than those mentioned above, are:

Eastern District

T. M. Bell, Saint John, N.B.; F. D. Chapman, A. F. Culver, W. M. Hodgson, F. C. Mead, J. D. McTaggart, W. C. Pitfield, all of Montreal; John E. Wood, Halifax.

Central District

H. N. Bawden, A. D. Cobban, H. E. Cochran, R. A. Daly, T. R. Harrison, G. C. Norsworthy and J. G. Singer, all of Toronto.

Western District

Ralph D. Baker, Lawson Glasgow, N. B. Henderson, Winnipeg; D. M. Duggan, Edmonton; W. M. Houston, Regina.

Maritimer W. C. Pitfield Is Collector of Canadiana Was Office Boy to Killam

By Staff Editor

LUCERNE-IN-QUEBEC—Ward C. Pitfield, newly-elected president of the Investment Bankers' Association of Canada is a Maritimer. He was born at Saint John, N.B., in 1892, but he went to Montreal to make his mark in the securities business.

"Hard work and lots of it," was his reply to The Financial Post when asked at the Seigniory Club about his chief interests outside business. He admits, however, that he collects Canadiana in the form of prints. But he would not call himself an expert although he has been doing it for 15 years.

Rothesay Collegiate, at Rothesay, N.B., furnished most of the new president's education. When he left the collegiate he went to work.

With I. W. Killam Firm

The greater portion of Mr. Pitfield's career in the financial business was spent in the service of the Royal Securities Corporation. He was with the I. W. Killam organization for 15 years. But this period was interrupted by the war. He served overseas with the 30th Battery, Canadian Field Artillery, from 1916 to 1918. Back he came to Royal Securities, until in 1928 he broke away to form his own firm, W. C. Pitfield & Co. Ltd.

During the years he was with the Killam firm Mr. Pitfield was everything from office boy to partner. He served the firm in New York and other offices, as well as in Montreal, at various times.

He is at present president of W. C. Pitfield & Co. Ltd. He is also a partner in the Montreal Stock Exchange firm of Pitfield, Matthewson & Co.

A complete list of directorates on which Mr. Pitfield serves is long. Some of the more important are: B. C. Telephone Co., Ottawa Light, Heat & Power Co., Ottawa Electric Co., Rolland Paper Co., National Telephone & Telegraph Co., Gypsum, Lime & Alabastine Ltd., Cockshutt Plow Co., Windsor Hotel Co. and Mount Royal Hotel Co. He is president of Canadian International Investment Trust.

In addition to being a collector of Canadian prints, he enjoys riding, polo and tennis. He owns a farm at Cartierville, Que., near Montreal.

"The past year has been one of great uncertainty. During this time the investment banking business has gone through one of the greatest periods of stress in the writer's experience," he reported to the Investment Bankers' Association at Lucerne-in-Quebec.

Mr. Pitfield was elected president of the association on June 23, and was the only nominee. He had been the ranking vice-president in the previous year.

Predicting the future or commenting on the business outlook does not appear to be in Mr. Pitfield's line. But he is emphatic on his ideas on governmental interference with business.

"What we need is less legislation of the type which hampers business," he told the investment bankers at their annual dinner. "No amount of legislation can keep investors from making bad investment," said he.

He opened his remarks by pointing out the difference between short-term loans made through commercial banks and the long-term loans arranged by investment bankers. Because control of the loan is lost for a term of years after it is made, investment bankers, he said, cannot exert the pressure on borrowers which is possible in commercial banking.

Urges Less Legislation

What we need is less legislation, he said. As an example Mr. Pitfield cited the control of the London money market by the Bank of England. This unique institution has only to intimate to the private banks and commercial banks that certain things are desired, and those things are done. There is no legislation to say that the Bank of England shall take the paternal attitude toward the money market which it does.

"What is needed in Canada is encouragement of investment, not action which will deter it," he concluded.

National Trust Officers Promoted in Winnipeg

S. J. Crawley has been appointed secretary at the Winnipeg office of the National Trust Co. succeeding C. Y. Stanier who has retired. W. Henry Crookes, succeeds Mr. Crawley as trust officer.

Mr. Crawley was born in Wolfville, N.S., and joined the Union Bank of Halifax in 1906. From 1910 to 1913, he was with the Canadian Bank of Commerce, becoming associated with the National Trust Co. in the latter year and serving as assistant estates officer from 1920 and trust officer from 1927. W. Henry Crookes was born in Winnipeg, attended University of Manitoba and was admitted to the Manitoba bar in 1921. He joined the staff of the National Trust at Winnipeg in 1926 as assistant secretary.

Security Men Approve Cuts In Gov't Costs

Brief Extracts Quoted from Reports Presented at I. B. A. Annual

By Staff Editor

LUCERNE-IN-QUEBEC— Candid comment on the financial affairs of Canadian provincial and municipal finances was made at the annual meeting of the Investment Bankers' Association of Canada. Balanced budgets and reduced expenditures were urged. Approval was voiced of such efforts as have already been made by governments to make both ends meet.

Mildly optimistic comments were also made on general business and financial conditions, particularly in western Canada.

Extracts From Reports

Extracts from some of the reports of districts and committee chairmen were as follows:

John Gillespie, Bell, Gouinlock & Gillespie, Winnipeg—"It is to be regretted that one or two municipalities, notably the city of Calgary are refusing to meet obligations when called for in American funds and are offering payment in Canadian funds only. This policy, by cities such as Calgary, which have the ability to pay, is in the end bound to be costly and is difficult to justify . . .

"At the moment there are a number of indications that the Western producer will receive this year prices which will mean a profit. It is too much to expect that one profitable crop will liquidate the troubles of the prairie provinces but it will help to justify the real effort that has been made by Western provinces to maintain services while at the same time practising the utmost economy."

Stanley Burke, Pemberton & Son, Ltd., Vancouver—"There are now definite signs of improvement in British Columbia, although the full effect of the depression was not felt here until 1932. Led by encouraging increase in gold production, activity in gold mining development, as well as the continually growing movement of grain through the port of Vancouver, this province should be one of the first to recover . . .

"The finances of the province are still unsatisfactory but the deficit of $3,000,000 for the year just ended and the 2¼ million estimated deficit for the ensuing year need not be alarming when it is realized that this includes principal and sinking fund payment, and that British Columbia is the only province in Canada with large sinking fund provisions. The present budget provides for the payment of $2,400,000 for sinking fund purposes. The province has made creditable progress in cutting controllable expenditure."

A. H. Williamson, Wood, Gundy & Co., Toronto—"Correspondence was carried on throughout the year with all provincial governments, urging the various governments to balance their budgets, preferably through reduced expenditures. The replies received from the various provinces were studied and further suggestions made from time to time."

Ralph D. Baker, Jas. Richardson & Sons, Ltd., Winnipeg—"While the Mecca of all good provincial treasurers is a 'balanced budget,' the pilgrimage to this shrine during the past year has been one along a road well calculated to cause them to deviate from their course and postpone the reaching of their goal until another year. The increased cost of unemployment relief, the burden of maintenance of service charges on funded debt in United States funds, the increased cost and difficulty in obtaining additional financing, together with further reductions in revenues, are among the major troubles which had to be met. But it must be said to their credit, that the duty was not shirked; expenditure estimates were cut, appropriations pared; and new taxes introduced; none of which processes were attained without decided opposition in various quarters."

J. Ernest Savard, Ernest Savard Ltd., Montreal—"During the year we have had complaints about municipalities and school commissions, who were neglecting to deposit the necessary funds for meeting their bond interest on due time. The money was available but was only deposited a few days after the maturity date. As this was detrimental to the credit of the municipalities, without due cause, we took the matter up with the Municipal Commission and the chairman, Mr. Morin, reported that he had advised all secretary-treasurers of the danger of such practice and we may now report that there is a fair improvement in this matter."

J. Gordon Young, Oldfield, Kirby & Gardiner, Winnipeg—"Repetition of last year's troubles in an aggravated form has been the experience of most Western municipalities. That is, shrinkage of earnings caused by a further reduction in the price of commodities has reduced tax collections, while extraordinary expenditures represented mainly by no reduction in unemployment relief and American debt service charges have produced a situation even more discouraging than that current at this time last year."

D. N. Knight, Wood, Gundy & Co., Ltd., Vancouver—"Dealing with the problem of relief expenditures, I am pleased to report that one of the largest cities in the province is showing a good reduction in the amount which has been expended for relief purposes so far this year, compared with the same period in 1932, and this city is actually providing for a larger number of people than it did last year. It is to be hoped that this example will be followed by all our governing bodies at the earliest possible time, if they are not already moving along the same lines. If the investors who are interested in municipal bonds can be shown that a city is budgeting to keep relief costs well within their cash income the knowledge of this information will do almost more than anything else to establish confidence in the municipal security."

J. P. Crysdale, Gairdner & Co., Toronto — "Overlapping of municipal debts in Ontario because of the county-township-town-village form of municipal organization should have the attention of a select committee of the association (Investment Bankers' Assoc.). A debt structure has been created in many localities which may prove to be intolerable."

"Captains of Industry" Concluded Mr. Picobac

"I was born in the County of Essex."

Mr. Picobac waited for the cheers, led by a Board of Trade member formerly of Essex Centre, to subside.

. . Essex," continued he, "where still men are men, and women, I am glad to say—and I thank God for it—are still women." (Renewed cheering)

"Essex," continued the philosopher . . . "Canada's farthest south . . . where peaches have the flavour and melons ripen on the vine . . .

"Essex . . . and her good friends and neighbours along old Lake Erie's shore—Kent . . . Elgin . . . Norfolk . . .

"In Sunny Southern Ontario, where burley tobacco grows to its finest, full . . . ripe . . . perfection—Picobac!"

In the five minute demonstration of enthusiasm which followed his address, Mr. Picobac withdrew a pipe from his vest pocket in preparation for a mild . . . cool . . . sweet smoke.

Mr. Picobac leaves to investigate Ottawa tonight. Watch for his address to the Senate. And in the meantime get Picobac. Try a pipeful.

—and don't forget, you get more tobacco for your money.

Good for making cigarettes, too.

Handy pocket tin, 15¢ —also in ½ lb. Humidor Tins

"IT DOES TASTE GOOD IN A PIPE!"

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IMPERIAL TOBACCO COMPANY OF CANADA, LTD

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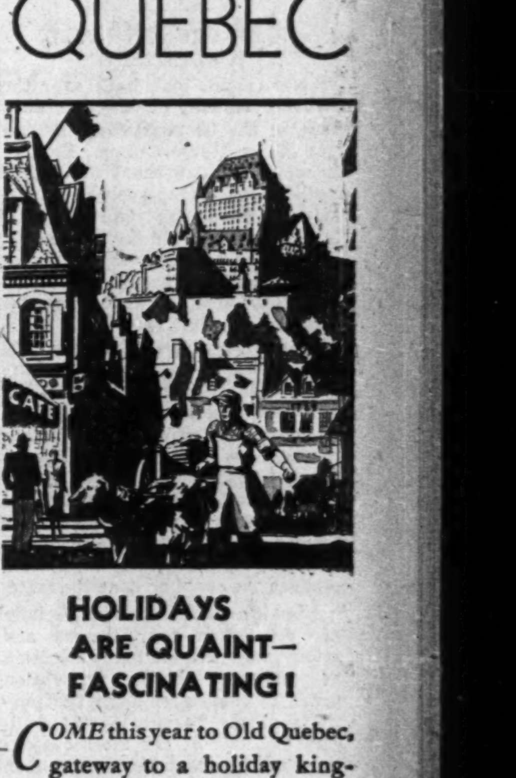
The export of platinum in April from Canada amounted to 6,344 ounces valued at $253,756, compared with nil in March and 697 ounces at $50,216 in April, 1932. With the exception of 94 ounces at $3,756 sent to Norway, all of the April exports went to Great Britain.

IN OLD QUEBEC



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TORONTO, JULY 1, 1933

A RACE OF BUILDERS

THREE hundred years ago apple trees were imported from Normandy into Acadia to lay the foundation of the now famous apple orchards of the Annapolis Valley. One hundred and fifty years later the United Empire Loyalists came to New Brunswick, Nova Scotia and Prince Edward Island. Today the three Maritime provinces have a population of more than a million people and with developed and undeveloped natural resources capable of supporting many times that number.

In this issue The Financial Post devotes a special section setting forth the current position of Maritime industry, business and trade. It tells of the progress that has been made and some of the more important problems confronting this important section of the Dominion.

The three Atlantic provinces are meeting their problems which are largely of an economic nature. The loss of their markets has gone hard with them. But the people down by the Atlantic are builders and out of the present unsettlement will be laid the foundations for a greater and more prosperous Maritimes.

HUME CRONYN LIVED A FULL LIFE

ONE cannot look back over the vast amount of effective work done in the 69 years lived by the late Major Hume Cronyn, K.C., of London, Ont., without feeling a thrill of pride that such an admirable life has been lived in Canada. In the university, in the law courts, as general manager and later as president of the Huron & Erie Mortgage Corporation, as a Unionist member of Parliament, as thorough-going protagonist for the cause of scientific research, as fair-minded arbitrator on contentious questions and as keen student of all important questions affecting the welfare of Canada, he always avoided the showy in favor of the sound, rejected expediency when it ran contrary to principle and was ready to sacrifice personal convenience and comfort at any time when real service could be done the state.

His high qualities, and especially his reputation for fairness and sound judgment, led to his selection as chairman of the arbitration board in connection with the purchase of the Toronto Street Railway Co., one of the most contentious matters that has ever shaken the City of Toronto. More than 18 months of his time had to be given to the arduous duties this position entailed and the final award, though Sir Adam Beck made a minority report of less than half a page, had little public criticism chiefly because he was understood to be mainly instrumental in making it.

Work of the utmost value was contributed by him to the Sir Andrew Duncan Commission appointed in 1925 to report on the recurrent strife and unrest in the coal fields of Nova Scotia. Perhaps his most outstanding public work eventually will be recognized to have been his advocacy and constant work to promote the development of scientific research in Canada. When he was a Unionist member at Ottawa he could have been a cabinet minister if he had seen his way clear to dropping his outside interests. He declined but the work started by the Advisory Committee for Scientific Research under his guidance eventually passed into legislation and started a movement which many believe will be of growing value to Canada in each successive decade.

While Major Cronyn was connected with the Huron & Erie Mortgage Corporation its assets rose from $11,200,000 in 1907 to $47,000,000 and in the same period deposits—excellent measure of public confidence—increased from $7,490,000 to $38,400,000. The business spread throughout Canada during his régime, and throughout the Dominion was conducted with unvarying adherence to sound business methods. The periodic financial statements sufficiently demonstrated a fine regard for the rights of investors, borrowers, lenders and the community at large and an excellent balanced financial policy built up the company's strength in a very impressive manner.

In days of financial and political turmoil it is a marvel and at the same time very reassuring that a man like Major Hume Cronyn could so unostentatiously and yet so effectively accomplish so much good in and for Canada. His work lives after him and his life will be an inspiration to many others.

WORLD CONFERENCE GOES MODERN

LONDON has some of the most beautiful halls in the world in which the World Economic Conference might have met. One need but mention two. There is Westminster with its magnificent old oaken timbering dating back to 1097 and 1399. And there is the Guildhall going back to the 1400's. Each would have provided a setting of pageantry for the event. Scores of other halls would have been only slightly less colorful. Instead, the British Government, which became the host of the conference when it invited the League of Nations to move it from Geneva to London, chose to have the assembly meet in the new Geological Museum in the South Kensington area. On the Saturday before the conference the museum was the scene of the most unutterable confusion. Plasterers and painters mixed with plenipotentiaries and potentates; scrubwomen with secretaries and scriveners, as frantic efforts were made to bring the building to a measurable state of completion and cleanliness before the opening ceremonies on Monday. When the King arrived, there were enough red carpets around to conceal the thick-lying plaster-dust, but the building obviously was not entirely ready.

The main conference hall, where all plenary sessions are held, is scientifically severe with serried ranks of rather plain benches, and completely bare walls. Where one might look for standards or paintings there are loud speakers; where golden candelabra would be in order there are microphones. The stiff morning dress so affected by delegates at such affairs seems out of place.

TARDY ANNUAL REPORTS

WITH some improvement both as to prospects and actual operations being experienced by many companies in Canada it must be something akin to a skeleton in the family closet to have to publish a disappointing statement of 1932 operations at this late date.

Yet a glance over company records in Canada as compiled by The Financial Post reveals that between thirty and forty companies in which there is investment interest in Canada and whose fiscal years end on December 31, do not publish their annual statement until May, June or July. A great many others whose fiscal years end in the first quarter of the calendar year allow almost as great a time to elapse before giving shareholders a statement of the year's operations.

In many cases such a delay is inexcusable and in normal times the majority of investors have probably ceased to care what happened in the period under review. It is only at a time such as is now being experienced that a tardy annual report proves something of a boomerang.

With very few exceptions there is little or no reason why an investor should have to wait five or six months for a statement of his company's operations.

INCOME TAX COST TOO LOW?

FIGURES published recently by the Department of National Revenue at Ottawa reveal that since the adoption of the Income War Tax Act in 1917, Canada has collected over one billion dollars out of profits and revenues of the people residing and carrying on business in Canada. In the sixteen-year period the average amount collected in this way each year has been over $60,000,000. Individual income taxpayers in the fiscal year 1931-32 numbered 133,621 or approximately less than two per cent of the population of the Dominion.

Of particular interest to taxpayers however is the information that the cost of collecting this money in the period was 2.9 per cent or less than three cents on the dollar. A computation published last year in The Financial Post showed that on the average the cost of money to the Government is 4.9 per cent.

Perhaps it would be in the taxpayers' interest if the cost of collecting this tax were not so low. As it is now, the taxpayer merely fills out the form and gives all the details. The Receiver-General and his agents merely accept these statements, an accountant examines the form, and in the majority of cases no further work is entailed.

Thus the costs of running this branch of the government service are controlled largely by the efforts of the Income Tax branch to see that the law is not evaded. Those who have studied both the Canadian and the United States income tax returns believe that there is a wholesale evasion of income tax by individuals in Canada that would not be tolerated in the United States. Less criticism is heard about corporation returns.

More work of this kind, particularly by way of a more careful audit of the books and affairs of individuals who pay this tax, might possibly increase the percentage cost of collection, but it would without doubt bring increased revenue if it were well and systematically done.

TARIFF DISCUSSIONS AT VIENNA

THE place of tariffs in international trade and more particularly the most-favored-nation principle were key topics of discussion at the deliberations of the Congress of the International Chamber of Commerce held recently at Vienna. The discussion developed the difficulties with which this subject is beset, but in the end, as so often occurs in this type of meeting, "an innocuous, but not very helpful resolution was adopted."

The congress recognized that bilateral commercial treaties must be based on the unconditional or most-favored-nation clause and contain mutual tariff concessions, but it was agreed that modifications should not be ruled out if it could be shown that rigid adherence to the unconditional principle "delayed substantially the real adjustment of tariff structures and the removal of trade barriers."

Commenting on this resolution, The Trade and Engineering Supplement of the London Times makes the timely observation that there is a danger that tariff barriers may be regarded as the real obstacle to the resumption of extended international trade, whereas due reflection shows "that the basic difficulty today is not due to tariffs but inability of nations to balance their international transactions." Obviously as long as the debtor countries could borrow the difference between their visible and invisible imports and exports they could carry on, but today they can no longer borrow and as they cannot meet their liabilities out of the proceeds of their sales they are unable to provide exchange. Restriction of imports whether by tariffs or other barriers is forced on them as a measure of self-defense.

That Canada, for instance, is largely at the mercy of the creditor countries in this matter was indicated by an address given by Sir Alan Anderson, who was chairman of the plenary session of the International Congress. He said:

"We say that tariffs, quotas, interference with services and monetary exchange must be reduced and removed. What do we mean? Do we order each debtor nation to buy abroad goods for which it cannot pay, or, still worse, do we order the debtor to pay foreign exchange which he has not got or do we say that the creditor must balance the exchange by buying more than he sells and by lending at long terms and that of all nations the creditor will most quickly revive by the restoration of the world market. Who in all these economic fiscal and political reforms holds the initiative—the debtor or the creditor?

"That is the question which we should answer if we wish to help the world. I say to you that on tariffs, on shipping subsidies, on debts, on monetary exchange, and stable currency the chief creditor countries must move first and the debtors must follow."

PRAIRIE CROP REPORTS

THOSE who follow crop conditions in the Prairie Provinces will be glad to learn that the crop reporting service performed for so many years by the Winnipeg Free Press is to be attempted this year by another private agency, the Dawson Richardson Publications Ltd., of Winnipeg. The new service will be issued through the W. Sanford Evans Statistical Service.

For thirty years the Free Press performed a very important service to the grain trade and to business and financial houses in Canada and other countries, by its independent and detailed information on the grain crop in the West. Its estimate of the size of the crop each year was usually very accurate and provided a valuable check on similar estimates by the Dominion Bureau of Statistics and other private compilations. It will be missed by experts and laymen alike.

Although the Sanford Evans service has not previously undertaken specifically the work of detailed crop reporting, it enters the field with excellent qualifications based on many years' intensive study of business and agricultural conditions in the prairies. The new reports will be watched with very considerable interest not only in the West where the work of this organization is already well known, but also in the East.

DEMOCRACY ON TRIAL

ONE of the vital problems for civilization in the twentieth century is to ensure an intelligent administration by governments of matters economic. Most of our great problems today, as Sir Josiah Stamp has said, are moral and economic.

Last week The Financial Post published a verbatim report of Sir Josiah's lucid explanation of democracy's inadequacy to deal with economic problems. Sir Arthur Salter has also recently indicated in no uncertain terms that he believes completely democratic government incapable of understanding and solving economic questions.

Sir Josiah has expressed a hope that education may give economic enlightenment to voters. Sir Arthur has suggested that it may become necessary for the masses to give up their present right to dictate what economic policies shall be followed. Either suggestion obviously presents grave difficulties.

Nevertheless, the problem must be solved. The intensity of the need for effective treatment of economic problems, which are of more than a purely national character, increases with each passing decade. In the eighteenth and nineteenth centuries many important social and religious problems were solved, largely through democratic institutions. But the task of the present century is to solve economic problems of which the fundamental truths are less evident to the voter than were those of the two preceding centuries.

Dictatorships, even within democracies, have arisen recently. They are just one form, or perhaps a passing phase, of democratic government's effort to deal effectively with economic problems.

Many of the world's leading thinkers believe that the economic problems of this century will subject democratic government to its most exacting test.

A severe windstorm in Ontario recently resulted in a tree falling on at least one automobile. The garageman got repair work. It's an ill wind which blows no one good.

POST-scripts

WE NOTED recently a curb pedlar outside a crowded broker's office selling toy birds. He held one in each hand. The natural song of one appeared to be "cheap, cheap," and of the other, "cuckoo, cuckoo."

The question which arose in our mind was whether the birds were casting their remarks at the broker's tape watchers, at the spectators, at the pedlar, or at themselves.

THE importance of little things in the affairs of great nations and even in the larger sphere of international politics is strikingly highlighted by a curious tale which Business Week tells its readers in the current issue. The story concerns Dr. Royal S. Copeland, known to a million or more newspaper readers who follow his health column from day to day.

Apparently, it was the doctor who was responsible for getting an air conditioning system installed in both House and Senate chambers at Washington. Doubtless medical and humanitarian authorities are praising his suggestion, but according to Business Week, President Roosevelt and other world statesmen are not.

For had it been as hot inside Washington legislative halls as outside, Roosevelt probably would have been rid of Congress on Saturday, June 10, when Washington had one of those heat spells for which "every President since Andrew Jackson has thanked God when he wanted Congress to go home."

But it was very nice in the Capitol, "an island of comfort in a land of misery," and for one time in its history Congress didn't want to go home.

You know the rest of the story if you read blaring newspaper headlines during the week of June 12, which featured the war debt world parley imbroglio which threatened because a recalcitrant Congress was still in session in the capital of the United States.

As Others See Us

Dangerous Wheat Policy

New Glasgow Chronicle—The Financial Post states that the Dominion Government is the owner of 140,000,000 bushels of wheat, which they purchased and are still holding. Among the strange things that have been done by the Government under their blank check authority to deal with the depression this is certainly one of the most peculiar. It is said that over one hundred millions of the people's money have been taken out of the treasury to use in this gamble on wheat prices, and this amount was placed in the hands of a Mr. MacFarland, who holds no public position, but happens to be a friend of the premier.

Considering that the coal miners of this province and our steel workers in this town have been compelled to get along with pittances, one reads with wonderment the reckless way in which public monies have been thrown into gambling in the wheat market. The Post, a Conservative paper, says the Government Wheat Policy is unsound, and that the view held by the grain trade and important public officials in the Prarie Provinces is that this policy on the part of Ottawa is extremely dangerous. Where the country is to land under the present leadership heaven only knows!

Other Peoples' Views

First Eliminate the Waste

Dry Goods and Stylewear Review, Toronto:—"Unemployment relief is at the present time costing Canada approximately $100,000,000 a year. It is one of our greatest businesses and promises to be with us in a greater or less degree for some years to come. Even in good times there is unemployment and with the advances now being made in social legislation, it appears that something will be done either through unemployment insurance or some other plan to make some definite provision for those who are unable to get work.

The retail trades of this country are very much interested in this subject, because a large portion of this two million dollars a week expenditure is for the purchase of food, clothing, shoes, drug supplies, etc. An important principle is involved in connection with the distribution of merchandise, and a wide variety of policies are being adopted by various municipalities. In Ontario alone there are some 600 municipalities in which relief is being administered wth varying degrees of efficiency. There have been some splendid examples of efficient management while in other cases there have been examples of gross inefficiency and waste, resulting in an unnecessarily large expenditure of public funds for relief purposes.

The important question from a retailer's standpoint is whether or not it is to be a permanent policy to distribute merchandise through retail stores, allowing the merchants a nominal mark-up for their service in stocking the goods and handling sales distribution. In the clothing field, it is a known fact that several of the largest manufacturers have declined entirely to sell their products directly to municipal or provincial relief bodies. They feel that to do so would upset the regular and established method of distribution of their commodities through jobber and retailer to consumer. It is contended by relief authorities that the cost of supplies will be increased anywhere up to 50 per cent if they cannot deal directly with manufacturers in the purchase of supplies.

In dealing with such matters, governments are undoubtedly torn between conflicting interests. Thousands of retailers in different lines of trade throughout Canada feel they are going to be adversely affected if $100,000,000 worth of supplies is to be distributed directly through relief depots operated by governmental officials. On the other hand, it is essential in the interests of taxpayers that relief be administered with the least possible overhead.

The retailer when he handles relief supplies, gives some service and value for the small nominal mark-up he is allowed. He gets nothing like his regular average mark-up. One thing is sure, the retailer has been giving value for this small return, whereas hundreds of thousands of dollars have undoubtedly been wasted in the expenditure of relief funds through graft, inefficiency and duplication. Certainly, before asking the retailer to forego his small share for handling relief supplies, steps should be taken to wipe out costly waste and inefficiency."

The World at Large

An Occasional Department Discussing World Economic Affairs That Affect Canada

By JOHN A. STEVENSON

BRITISH DISARMAMENT ATTITUDE UNPOPULAR

LONDON.—Before its sudden decision on June 23, to adjourn until October, the Disarmament Conference at Geneva has been definitely adrift on troubled seas. Its present session has lasted more than a month and yet not a single definite decision has been made or a single clause of the draft convention adopted.

The French have been holding out for their amendments and even so severe a critic of French policy as Mr. Robert Dell, the Paris correspondent of the Manchester Guardian, thinks that their demands are reasonable. They insisted that Germany during the period of the convention must not be allowed to rearm and that some real permanent and effective control of armaments should be established and for both these demands they have American support.

They have demanded also the elimination of the last article of the draft convention which annuls all the disarmament provisions of the peace treaties and have the backing of the overwhelming majority of the delegates for the adoption of the definition of the aggressor which was proposed by the Russian delegation and unanimously approved of by the competent committee of the conference. They also want a continental pact of mutual assistance but do not ask that Britain should participate in it.

The British Government is now being accused not merely by its domestic critics but on the continent, of pursuing an obscurantist attitude in refusing first to agree to the definition of the aggressor which has found general acceptance and in declining to give up the right to use aerial bombing for police purposes on outlying frontier regions; their stubbornness of this point, which the Times has strongly rebuked, is the chief obstacle to the complete abolition of air bombing which practically every other country is ready to accept.

Apparently France and other European countries have become very distrustful of British policy and complain that Britain has a habit of intervening on the continent to propose and even to impose solutions when it suits her but when definite responsibilities have to be assumed, of withdrawing to her island shell and declaring that her Imperial ties prevent her undertaking any definite commitments.

So at the moment Britain is not any too popular either with France and her allies or with countries like Sweden and Spain which are anxious for drastic disarmament and her influence at the world conference will be lessened by this circumstance.

* * *

CONFERENCE SIDELIGHTS

AN INTERESTING commentary on current opinion in Great Britain in respect of currency matters and the gold standard was the attitude taken recently by the Weekend Review, an independent Conservative weekly which prior to the June 15 war debt settlement, strongly advocated that full payment of this sum be made in gold on the ground that it would be an excellent excuse for getting rid of useless gold and thereby paving the way for the establishment of a sane monetary system.

Undoubtedly the volume of criticism directed against the present monetary system is growing both in extent and fervor and unless some adequate results are forthcoming from the World Conference, the demand in Britain for very radical reforms will become irresistible.

At the time of writing the average informed person in Britain cherishes no illusions about the conference and will not be surprised if it yields very meagre fruits. The Liberals and Laborites are elated by reports that the American delegation will advance as a prime excuse for their inability to be helpful the fact that the Ottawa Conference and its works by raising tariff barriers against the United States, created a very unfortunate impression throughout the Republic and prevented the Roosevelt administration from securing public support for a low tariff policy. To this the Conservatives retort that nothing much should ever have been expected from the United States and that when the conference reveals that the British nations must look, to themselves and their resources for escape from their present trials and difficulties, the Ottawa Conference has at least created a framework upon which a real structure of Imperial economic cooperation can be built.

Failure of the conference (if it does fail) will also give a great stimulus to the school of thought in Britain which has been urging that the policy of economy which was embarked upon in 1931 was a fatal mistake and creative capital expenditures on housing, drainage, afforestation and other public works should be undertaken at once on a large scale to facilitate an expansion of consumptive power.

The idea of national planning on a large scale is also gaining ground and whereas not long ago it was only favored by the Socialists it is now fervently advocated by many who describe themselves as Conservatives.

The political situation in Britain remains in a very interesting state and the next twelve months may see some very important developments. Mr. Baldwin is once more faced with a very serious challenge to his leadership on the part of the Conservative "Diehards" led by Winston Churchill and Lord Lloyd over the Indian problems and the upshot may be the emergence of a new central party called the National party in which the progressive Tories would coalesce with the Liberals.

Empire Marketing Board Achieves Fine Record

But Work Will Cease on Sept. 30 Unless Unexpected Happens

(An Editorial in The Trade & Engineering Supplement of the London Times)

This week the Empire Marketing Board whose ultimate fate still hangs in the balance, has issued its annual report for the past year. If the board were on trial before an impartial jury of men of affairs its record of achievement would be sufficient to assure its continuance in some form; unfortunately the issue is not as simple as that; political and other influences have been involved and for all its good work the future of the board is in jeopardy.

The circumstances of its creation were unusual; at the Imperial Conference of 1923 the government had made tentative agreements with the dominions for preferential treatment of their products and thereafter had been unable to carry them into effect owing to its defeat at the general election. When, therefore, the party was again returned to power after the fall of the first labor government, Mr. Baldwin's first thought was to redeem the pledge to the dominions, and, being unable to tax meat and wheat on account of promises to the electorate, he had an estimate made of the potential value to the Dominions of the agreements had they been carried out.

£1,000,000 Allocated

The amount was estimated at £1,000,000 a year, and Mr. Baldwin promptly announced that that sum would be allocated for the purpose of assisting the producers in the Empire to prepare for market, and market in the United Kingdom, food products of the Empire in preference to those from foreign countries. The matter was referred to the Imperial Economic Committee and on its advice the Empire Marketing Board was formed to administer the fund.

For the first year the Chancellor of the Exchequer only provided part of the money promised as there were less than twelve months to be covered. Everybody supposed that the full amount would be voted in the second and following years, but as a matter of fact the Empire Marketing Board has never had its promised million in any year, and on the amount voted to it it has had inroads made for purposes not originally envisaged by Mr. Baldwin.

Tariff Removes Justification

When the British government adopted a tariff the original justification for the grant ceased to exist, and the only question that remained was whether the board's work had been of sufficient value to the Empire to justify the several states in providing the necessary funds to carry it on. From this Supplement the Empire Marketing Board has received unswerving support, though at the outset we insisted that, like all other advertising campaigns, the success of the board's publicity would be finally judged by the practical results it was able to show.

Happily our faith has been justified, for in the report just issued there are 24 new records in the quantities of Empire foods and tobacco imported into Great Britain in 1932 and the table in which these results are shown affords striking evidence of the rising tendency in the United Kingdom market for people to demand and consume the products of the oversea Empire. In these circumstances whatever differences of opinion there may be as to the incidence of the cost it might have been supposed that at any rate there would be unanimity as to the desirability of continuity in a policy that has proved successful.

Much Research Accomplished

As in previous years the bulk of the board's income was devoted to the promotion of scientific research likely to be of value to the whole Empire, and the report gives interesting details of the scientific work done all over the Empire. The board's officers have approached bulk purchasers of commodities in order to interest them in obtaining their supplies from the Empire. All the principal local authorities in Great Britain and Northern Ireland have now been approached and tender forms covering supplies to some 1,500 institutions have been submitted to the board for suggested amendment in favor of Empire buying. Most of the principal railway and shipping companies, large hotels, public schools, and voluntary hospitals have also been approached, and the results are said to have been most satisfactory.

For more than a generation politicians of most, if not all parties have urged the desirability of developing the resources of the Empire for the mutual advantage of all its inhabitants. Here, for the first time, a serious effort has been made to give their vague aspirations a definite form, and to adopt a practical policy to make them effective, yet it is clear from the report of the Imperial Committee on Economic Consultation and Cooperation which has just been issued that unless there is a change of heart at the eleventh hour the Empire Marketing Board as a separate entity will come to an end on September 30, and its functions—or some of them—will be taken over by the Imperial Economic Committee.

Security Review

Frequent changes in business and financial conditions make a regular review of even the most carefully selected investment list advisable.

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In the Mail

Alcohol From Wood

Editor, The Financial Post,

In your number of May 27 you publish an article 'Corn and Coal Entering Lists With Crude Oil," and toward the end of this article you say:

"5. The growing realization by the public that alcohol in some measure can be produced from corn, barley and other cereal crops to add to gasoline when price of the latter makes it economic." As a subscriber to your esteemed paper, I would like to draw your attention to the development of producing alcohol from any material containing cellulose, preferentially, of course, of otherwise waste material, such as sawdust, wood shavings and chips, branches, even bark, straw, grain husks, corn stalks, etc.

I published a comprehensive article on the subject in the March, 1933, number of the periodical, "Canadian Chemistry and Metallurgy," and set out that 55 imperial gallons of 100 per cent pure ethyl-alcohol (not 35 as was mentioned on page 49 by a printer's error in the article) can be obtained from a ton of waste wood at a cost price of 10 pence or 20 Canadian cents per imperial gallon, putting down such waste wood at the relatively high price of $5 per ton at factory, 6 per cent interest on invested capital for the installation of the factory, 9 per cent annual depreciation of the machines and reasonable overhead charges.

The very simple process can be demonstrated and the cost prices checked in Hamburg, where a fully equipped factory of importance is producing alcohol for about two years already.

Everywhere on the European continent they are most successfully using alcohol as an admixture of 10 up to 50 per cent to gasoline. There is more power in a gallon of pure alcohol than in a gallon of gasoline.

Not only does the use of alcohol help agriculture but it is also considered to be an important question of national economy, saving very considerable amounts of money being spent on imported oil, thereby indirectly improving the balance of trade.

Quite apart from the farmlands of Canada, the Dominion's waste wood or inferior class of material not good enough for paper alone would produce an enormous quantity of pure alcohol. It might even pay in certain districts to cut down the timber for the purpose of producing alcohol, the cost price of the latter depending mostly on the cost of the raw material, i.e. the wood. All internal combustion engines could be run on pure alcohol alone.

ALFRED HURTER.
Consulting Engineer.
London, E.C.2, Eng.,

Quebec Brings Into Force New Hours of Labor Act

From Our Own Correspondent

MONTREAL.—Quebec has now put in force the Limitation of Hours of Labor Act, which for the present will only apply to the building and construction trade in the district of Montreal, including the metropolis, Hull, Valleyfield, St. Hyacinthe, St. Johns, St. Jerome, etc. Under the new legislation, the maximum of hours of employment in both trades is restricted to 40 hours per week, this in order to assure a more equitable distribution of employment.

Pending the holding of an inter-provincial conference, the government will not undertake to extend the jurisdiction of the Act to industries in Quebec which are competing directly with the industries of other provinces. It is realized that if the law limiting the hours of labor is applied to Quebec industries generally, industrial plants in this province will be at a disadvantage in regard to plants in other provinces in which the hours of labor are not restricted by governmental decree. The aim of the inter-provincial conference would be to secure the adoption of uniform legislation in this regard throughout Canada.

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Is Canadian Pacific Stock a Buy?

The Financial World has just made an analysis of Canadian Pacific that should prove of interest to every Canadian whether he has stock in this railroad or not. You may have a copy of this analysis without cost if you accept our remarkable introductory trial offer. Many investors are increasing their security profits by keeping well posted through The Financial World. Lose no time in returning this "ad," your address and $1 for the above and all the following:

(a) An analysis of two low priced bargains under the heading — "Dollars Down —Earnings Up."
(b) "10 Outstanding Stocks to be Held for Recovery" (Coming in July 5th issue) and reprint of "Beneficiaries of Inflation."
(c) Four next issues of The Financial World.
(d) July issue of "Independent Appraisals of Listed Stocks." (This 48-page book shows earnings comparisons, our ratings, etc., of 1350 stocks.)
(e) "A New Basis for Selecting Stocks," "Time to Buy a Fortune?" and "Sound Investment Rules."

The FINANCIAL WORLD
53 F.P. Park Place New York

The Week in Business

Hope for Construction

DISAPPOINTMENT was felt a month ago when it was revealed that the Dominion Bureau of Statistics index of employment had failed to gain, either for all industries or for manufacturing, but figures at June 1, released this week, more than make up for this failure. All-round increases as compared with May 1 are reported for almost all industries (led by manufacturing), and for all cities with the exception of Windsor, the increase in construction and maintenance being probably the most cheering.

Construction has been the factor which has been slowest to show any upturn and the one from which most has been expected and this report of more workers in the industry at June 1 was certainly overdue. In comparison with a year ago, the number of persons employed in construction is somewhat smaller but at that time there were a large number employed on relief work and this throws the comparison out of line as little of this work is being done this year.

* * *

Attack Sugar Tax

BISCUIT and confectionery manufacturers continue to brand the sugar tax the most damaging thing that has ever hit their business, according to an editorial appearing in a recent issue of Canadian Grocer. In times like these, they contend, it is a difficult thing to advance prices without seriously affecting the volume of business done. But with sugar costing so much more, they cannot do anything else.

Manufacturers maintain that the Government should have split up the revenue they figured on getting from this excise tax among other commodities and should not have placed the entire burden on any one product. They continue to point their finger at tea, coffee and laundry soap. An excise tax of 5c. would, they say, have amounted to $2,000,000 and the same on coffee to $1,500,000. There was talk of a 5 per cent tax on laundry soap which, if it had been put into effect, would have added considerably more to the needed amount.

* * *

May Business Gains

ALTHOUGH overshadowed by the extensive gain in employment, the generally upward trend in May of almost all other business indicators is important. Of figures released during the past week, gains in bank debits, electric output and automobile production are probably the most important. In the case of bank debits, activity in stock and grain markets accounts for a large part of the gains made, particularly in the chief cities, but the generally higher level throughout the country bears out reports of more active business of almost every type.

Without exception, all economic areas reported a greater amount of electric energy consumed in May than in April while the total production of electric power was not only greater than in the previous month but was also above the level of May, 1932. Unusually large export demand, combined with fair domestic sales, is responsible for the record level of automobile production in May, the 9,396 cars produced being the highest monthly total since May, 1931.

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Business Conditions in Canada

EMPLOYMENT RISE AFFECTS MAJORITY LEADING CITIES

All Industries Join to Reduce Relief Ranks

Recording a gain almost twice as large as that reported at the same date in either 1932 or 1931, the employment index at June 1 made the greatest increase from the beginning of the previous month of any since June 1, 1930. Not only was the actual increase impressive but it had an added significance in that data from which the index is compiled contained a much fewer number of persons employed on relief work.

Manufacturing led other employment in the move which carried the combined index from 77.6 to 80.7. While the seasonally corrected index for employment in all industries declined somewhat from the beginning of the previous month due to greater increases in the years since 1920, the figure at June 1 being 78.7 compared with 79.4 at May 1, the index for employment in manufacturing industries increased from 76.8 to 80.0 in its crude form and from 76.3 to 77.6 as corrected for seasonal trend.

Less Relief Work

Construction was the only major industrial group to show a decline after seasonal adjustment, lower totals for relief work being the cause. Actually, considerably more persons were employed at building construction than at May 1, and the increase was in line with the usual seasonal increase.

Quebec led the economic areas in increases from May 1 although all areas were higher than at that date. Windsor and adjacent Border Cities was the only city to report reduced employment as compared with May 1, all others showing considerable gains. Reports from the Maritimes and from eight cities strategically located in other areas of the Dominion are as follows:

Maritimes—The increase at June 1 was smaller than at the same date a year ago, chiefly due to lack of unemployment relief. Manufacturing, logging and construction were busier but transportation was seasonally slacker.

Montreal—Improvement shown at May 1 was maintained. Manufacturing, particularly food, mineral and leather products, showed the greatest increase. Construction and services were also busier.

Quebec—Continued and larger increases were recorded, chiefly in manufacturing, services and construction. Advances were greater than a year ago.

Toronto—Manufacturing as a whole was brisker; losses in textiles and iron and steel were more than offset by gains in food, printing and publishing and some other industries. Firms in construction and services also increased their employees.

Ottawa—Construction and lumber and pulp and paper mills led advances. A reduction was noted a year ago.

Hamilton—Number added to staffs was the greatest recorded in one month in past eleven years. Textiles, iron and steel and transportation were the leaders.

Windsor—A slight loss was recorded due to less employment in automobile factories. There was an increase at June 1, 1932.

Winnipeg — Manufacturing and trade increased employees with other groups much the same as at May 1. A decline was recorded at June 1, 1932.

Vancouver — Manufacturing and shipping reported gains, the improvement in the former being chiefly in lumber and textile factories. A somewhat smaller increase was reported at June 1, 1932.

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Prairies and Maritimes Lead Business Recovery

Gains in All Economic Areas Recorded in May By The Financial Post Index—Bank Debits Chief Factor in General Improvement

By SYDNEY B. SMITH

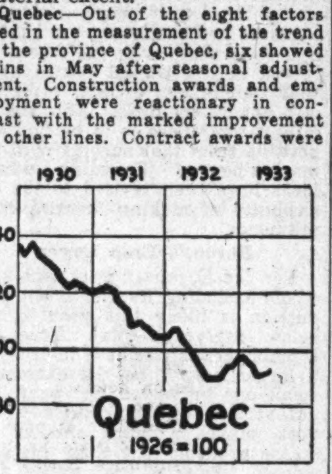
Business recovery characteristic of the second quarter in Canada was reflected unmistakably in The Financial Post business indexes of the five economic areas. These indexes moved up in unison in May over the levels of the preceding month. In the interpretation of the current trend of business in the last four years declines in some or all of the areas has been the rule and the unanimous upward movement is significant of the general transformation occurring in the Dominion in the last few months.

The sharp gain in bank debits was perhaps the main element in raising the regional indexes in May, but the miscellaneous factors of specific interest to each area were unusually strong. Building permits showed gains in four areas, although the level of construction operations remained surprisingly low. Electric output was stepped up except in Ontario and the Prairie provinces.

Two Factors Lower

Construction contracts and employment were factors which failed to join in the advance to any material extent.

Quebec—Out of the eight factors used in the measurement of the trend in the province of Quebec, six showed gains in May after seasonal adjustment. Construction awards and employment were reactionary in contrast with the marked improvement in other lines. Contract awards were



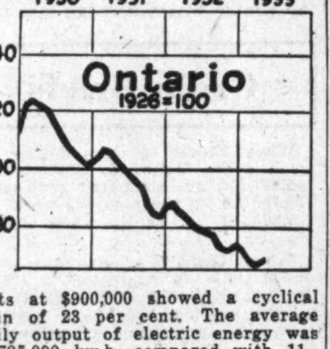
$2,250,000, compared with $3,366,000, whereas a pronounced increase would have been normal for the season. A gain was shown in building permits but the level continued low. The average daily output of electric energy was 24,444,000 kw.h. compared with 23,463,000, an adjusted gain of about 7 per cent. The index of employment was 79.3 compared with 75.4, but the gain was somewhat less than seasonal expectations.

The gain in bank debits was the chief factor in raising the level of the business index of the province. Debits were $719,000,000 compared with $520,000,000, the adjusted gain being about 21.5 p.c.. Sales of life insurance were $9,610,000 compared with $9,002,000.

Indicators of operations in three important industries of the area reflected expansion durng May. The boot and shoe industry was more active in the latest month for which statistics are available. Imports of raw cotton were 8,111,000 pounds compared with 4,050,000, the adjusted gain being about 95 per cent. The index of newsprint production moved up from 93.3 in April to 105.4 in May.

The business index of the province resulting from the combination of the above factors was 92.7 in May compared with 91.7 in April. From January to April the index showed continued depression while the reversal in May is regarded as the turning point of the cycle.

Ontario—While only half of the factors showing the trend of Ontario recorded adjusted gains in May, the increases were more pronounced than the decreases, and the index extended the gain of the preceding month. Construction contract awards were $2,442,000 compared with $2,045,000 in April but the gain over-balanced the seasonal increase. Building per-



mits at $900,000 showed a cyclical gain of 23 per cent. The average daily output of electric energy was 10,795,000 kw.h. compared with 11,276,000, the decline beng greater than normal for the season.

The index of employment was 81.6 compared with 79.5, but the seasonal gain is normally greater than the indicated increase in this case. Bank debits, owing partly to activity on the stock and mining exchanges, were heavy in May, the total being $1,168,000,000 compared with $821,000,000. The adjusted decline in sales of life insurance was 9.6 per cent.

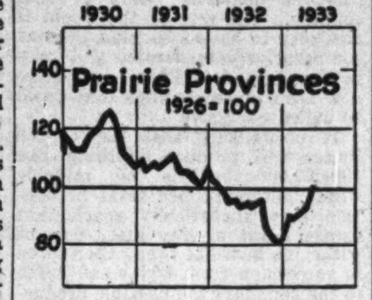
Livestock slaughterings were heavier as shown by an index of 127.2 compared with 109.0. Steel production was nearly twice as great in May, and the gain in automobile production was moderately greater than seasonal.

The business index for Ontario was 74.4 compared with 73.3 in April.

Prairie Provinces

Prospects in the Prairie Provinces were considerably brightened in the last few months according to the reading of the business index for the area.

While new business obtained by the construction industry was greater even after seasonal adjustment, bank debits and wheat receipts at country elevators recorded pronounced gains resulting in a gain of 6.5 per cent in the business index. Contract awards were $768,000 compared with $545,000



and building permits moved up from $194,000 to $256,000. Daily output of electric power at 2,926,000 kw.h. compared with 3,239,000, the decline being greater than seasonal. The adjusted index of employment was 82.4 compared with 84.0.

Bank debits were $591,000,000 compared with $397,000,000. Sales of life insurance at $4,040,000 were practically maintained.

Receipts of wheat at country elevators were 10,849,000 bushels, the gain after seasonal adjustment being 24.5 per cent. The average price of contract wheat was 63.4 cents, compared with 53.6. The seasonal factor indicates that wheat prices in May are normally 4.6 per cent greater than the monthly average for a composite year, while in April they are 2 per cent greater. The cost price consequently averages 15.5 per cent greater in May than in April.

The business index of the Prairie Provinces was 100.7 in May compared with 94.6 in April.

British Columbia—The business index for British Columbia showed a gain in May, and is now at a somewhat higher level than during the fall of 1932, when the minimum of the post-war period was reached.

Contract awards were down in May while permits in principal cities and towns showed a gain. Electric output after adjustment showed a gain of 3 per cent. The adjusted index of employment moved up from 72.3 to 74.3. The gain in bank debits at $125,800,000 was about 22 per cent after seasonal adjustment. Sales of life insurance were practically main-

tained. Imports through British Columbia ports showed a decline while the index of exports moved up from 40.6 to 49.7. Tonnage of vessels clearing from Vancouver was 915,131 compared with 803,600.

The business index of British Columbia was 81.4 compared with 80.9.

Maritime Provinces — The index moved up from 88.7 to 91.7, reversing the trend in evidence since the beginning of 1932. (For full particulars see special article in Maritime Province Supplement.)

Automobile Output Highest Any Month Since May, 1931

Production of 9,396 motor vehicles in Canada during May was the highest output reported for any month since May, 1931, when 12,738 cars were made. Exports again contributed considerably to the total for the month, 2,229 of the automobiles produced being designed for the export market. In May, 1932, production totalled 8,221 cars; actually in that month more cars were produced for sale in Canada, the comparative figures being 7,950 and 7,167 but in 1932, only 271 cars were designed for export.

In the five months of the year to date, 30,939 automobiles have been produced as compared with 32,567 in the same period a year ago, a decrease of approximately 5 per cent. Of the 1933 total, 6,891 have been for export compared with 1,472 last year.

35 OF 47 FACTORS IN POST INDEX GAINED IN MAY

Such Large Percentage of Gains is Extremely Rare

The Financial Post index of business in its final form, reflecting widespread resumption of industrial operations, was 73.5 in May compared with 70.8 in the preceding month. Out of the 47 factors of economic importance included in the index, no less than 35 showed gains after seasonal adjustment, from the levels of April. It is indeed a rare occasion that the observer can report such a large percentage of gains.

The index of mineral production was 93.4 compared with 81.9 in April, gold and zinc being the only factors showing a recession out of the nine indicators used here. Imports of bauxite for the manufacture of aluminum were 13,606,300 pounds compared with 2,113,900. Coal production was 669,206 compared with 641,298, a gain being shown contrary to seasonal tendencies.

Food Manufacturers Busy

The index for the manufacture of foodstuffs moved up from 83.4 to 85.6, despite lessened activity in the flour milling industry and in sugar production. Cattle and hog slaughterings showed marked gains, while exports of cheese and canned salmon denoted improved overseas markets for Canadian food products.

The tobacco industry showed greater activity, releases of cigarettes for consumption showing a gain, after seasonal adjustment, of 25 p.c. Releases of cigars were 9,860,000 compared with about 7,000,000 in the preceding month, the adjusted gain being eight p.c. Raw leaf tobacco also showed an increase, the index of tobacco releases being 112.6 compared with 92.7.

Raw Materials Imports

The statistics of the imports of raw material for further manufacture are significant of the preparations of certain industries for operations of a short-term character. The rubber industry in May imported 3,817,000 pounds of crude rubber compared with 1,245,000 in the preceding month. Imports of raw materials by the textile industry showed important gains, receipts of raw cotton being 8,111,000 pounds compared with 4,050,000.

The gain in the output of steel ingots after seasonal adjustment was 93.5 p.c. while blast furnaces remained out of operation. Production of motor cars was 9,396 compared with 8,255. Imports of crude petroleum were 83,980,000 gallons compared with 36,187,000, the adjusted gain being 46 p.c.

Electric power production on an average daily basis was 43,510,000 kw.h., the gain after seasonal adjustment being about three p.c.

External trade especially exports showed sharp increase in May, an encouraging sign of business recovery. Bank debits were $2,650,000,000 compared with $1,877,000,000, the gain after seasonal adjustment being 25 p.c. While much of this gain was due to speculative activity on stock and grain exchanges, the marked gain in financial transfers is bound up with a return of more prosperous conditions.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1933	1932	Cumulative Jan. 1 to date 1933	1932
Transportation—				
Car loadings, (June 17)	40,571	44,736	825,749	1,001,272
C. P. R. gross earn. (June 21)	$ 2,531,000	$ 2,581,000	$ 45,461,000	$ 52,438,000
C. N. R. gross earn. (June 21)	$ 3,217,050	$ 3,197,567	$ 58,452,916	$ 69,827,769
	Monthly			
C. P. R. net earn. (Apr.)	$ 538,465	$ 918,483	$ 1,835,944	$ 2,935,898
C. N. R. net earn. (May)	$ 193,206	$ 431,030	$ ‡3,964,877	$ ‡115,545
Iron and Steel—				
Pig iron, tons (May)	nil	13,339	35,353	69,038
Steel, tons (May)	23,126	29,239	98,862	162,370
Automobiles prod., No. (May)	9,396	8,221	30,939	32,557
Auto Vehicles—				
Passenger, sales, No. (Apr.)	5,494	5,421	13,023	14,230
Trucks & buses, sales, No. (April)	593	1,073	1,388	2,661
Auto. exports, No. (May)	2,729	374	6,415	2,317
Construction—				
Building permits (May)	$ 2,002,309	$ 5,488,845	$ 6,570,341	$ 19,312,718
Contracts (May)	$ 6,514,100	$ 14,186,800	$ 24,826,100	$ 2,606,500
Newsprint—				
Production, tons (May)	171,776	175,890	722,762	842,880
Exports, tons (May)	168,718	151,758	655,086	777,551
Sugar—				
Imports, raw, lbs. (Apr.)	9,739,900	35,447,400	92,067,100	169,680,300
Melt. & ship., lbs.*	46,463,194	64,566,796	185,859,911	207,548,836
Manufactured, lbs.*	41,167,462	58,751,252	190,704,556	200,078,899
Flour—				
Production, bbls. (Apr.)	1,013,486	993,385	3,722,279	3,740,470
Wheat flour exp., bbls. (May)	565,080	461,867	2,020,155	1,801,355
Other Industrial Indices—				
Lumbering: Plank & board exports, mill ft. (May)	75.69	62.94	247.78	297.30
Boots and shoes, pr. (Apr.)	1,442,020	1,523,492	5,103,681	5,914,805
Petroleum, imp. crude. gal. (May)	83,981,157	109,518,026	142,145,778	337,029,615
Cotton, imp., raw, lbs. (April)	4,050,000	6,230,000	25,215,000	33,154,000
Rubber, raw, imp. lbs. (May)	3,817,398	3,170,767	12,850,876	20,322,659
Coal, imports, tons (May)	936,596	1,039,887	2,807,781	3,432,136
Gasoline sales (Mar.)	26,416,000	26,913,000	76,805,000	79,140,000
Trade—				
Imports (May)	$ 32,926,530	$ 44,361,312	$ 134,189,694	$ 201,304,406
Exports (May)	$ 45,576,337	$ 40,476,404	$ 160,126,164	$ 181,951,221
Wheat exports, bus. (May)	21,464,848	15,543,013	66,369,905	52,347,645
Labor—				
Employment Index (Apr.)	76.0	87.5	......	......
Electric Power—Output—				
M. Kilowatt hours (May)	1,348,807	1,273,519	6,711,140	6,747,850
Finance—				
Failures, No. (Feb.)	214	221	427	459
Failures, Liabilities (Feb.)	$ 3,947,000	$ 3,650,728	$ 7,996,929	$ 7,711,376
Bank debits† (May)	$ 2,649,625	$ 2,175,184	$ 10,212,854	$ 10,334,208
Bond sales (May)	$ 3,644,849	$ 25,675,320	$ 38,576,725	$ 140,906,040
Insurance sales (May)	$ 30,497,000	$ 30,998,000	$ 145,720,000	$ 177,570,000
Automobile Financing:				
Used cars (Apr.)	$ 983,100	$ 1,412,269	$ 3,018,116	$ 3,990,629
New cars (Apr.)	$ 1,068,341	$ 1,587,293	$ 2,976,064	$ 4,008,145

*Four weeks period, Apr. 29 to May 20. †(000's omitted). ‡Deficit.

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May Statistics Generally Above Level of 1932

Without exception all statistics for May released during the past week show gains over the previous month and with only two exceptions over May a year ago, the best record that has been observed since industrial production started to decline in 1929.

Probably the most significant gain is that in electric output as this gain over April is against the usual seasonal trend and the index is considered a valuable indicator of industrial activity. Increasing use of electricity in industry makes the comparison with May a year ago slightly less valuable although the six per cent increase in this indicator combined with increased coke production and the maintained level of coal production compared with May, 1932, would appear to indicate busier manufacturing plants.

Monthly		May, 1933	Change From Prev. Period %	Change From Prev. Year %
Coal prod.	tons	669,206	+4.3	—0.4
Coke prod.	tons	134,275	+10.4	+3.9
Bk. debits	$	2,649,625,031	+41.2	+21.8
Rubber imp.	lbs.	3,817,398	+207.0	+20.4
Pete. imp. (crude)	gal.	83,981,157	+132.0	—22.4
Auto. prod.	No.	9,396	+13.8	+14.8
Elec. output,	kw.h.	1,348,807,000	+4.1	+6.0
Cigarettes‡	No.	360,805,660	+35.0	+15.3
Insurance sales	$	30,497,000	+2.0	—1.5
Weekly*				
Carloadings	No.	40,571	—3.7	—9.3
Wheat price†	c.	64.5	+2.4	+14.0
Cattle sales	No.	8,892	—6.1	—6.0
Hog sales	No.	18,599	+4.5	—10.0

*Weeks ended June 17, 17, 22 and 22, respectively.
†Cash price No. 1 Northern, Fort William, Port Arthur base.
‡Entered for consumption during month.

B. C. Agricult. Production Totalled $34,374,000 in 1932

Value of agricultural production in British Columbia in 1932 amounted to $34,373,926, a decrease of 14.3 per cent from the previous year. Fruit production at 262,000,000 pounds showed an increase of almost 44 per cent in quantity while the value of $5,227,063 was six per cent greater than in 1931.

Vegetable production totalled 70,373,000 valued at $1,873,137, an increase of 3,400 tons in quantity but a decrease of $486,000 in value over 1931.

Commodity Prices

	Week ending June 24	Previous week	Same week last yr.
Cattle (cwt.)§	$5.85	$5.50	$6.75
Copper, lb.	.08	.08	.05⅝
Cotton, lb.	.0960	.0905	.0530
Rubber, lb.	.06	.0526	.0256
Sugar, raw, lb.	.0340	.0335	.0292
Silk, lb.	2.35	2.12½	1.20
Wheat (Man.) bu.	.69⅞	.64¾	.53⅛
Hides, lb.	.12½	.12½	.04¼
Coffee, lb.	.07½	.07¾	.08
Weekly Indices			
N. Y. Annalist‡	93.4	93.7	88.9
Fishers*	♦64.0	63.5	†62.0
N. Y. Journal of Comm.	63.7	61.5	56.7
Crumps (Brit.)*	62.9	63.2	†62.4

†Average 1932.
‡Week to June 20.
*Week to June 25.
♦June 25.
§June 22.

Monthly Indices

Canada (D.B.S.)	Latest w'sale	Prev. month	Same month last year
(May)	66.9	65.4	67.4
Retail (May)	77.6	78.6	81.8
U. S. Labor (Apr.)	60.4	60.2	65.5
Gt. Brit. (Apr.)	65.6	65.9	69.1

‡Basis of price quotations is as follows: cattle — steers, good, over 1,050 lbs., top price. Toronto; copper—electrolytic, New York; silk—Japanese, 13-15, New York; sugar—96 degree centrifugal c/f New York; wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; coffee—Rio, No. 7, spot, New York.

STEEL INDUSTRY BEING PLANNED FOR BR. COLUMBIA

Provincial Govt. Negotiates With Eastern Interests — Will Use Water Power

From Our Own Correspondent

VANCOUVER.—A twin industrial development that would result in harnessing the water power of Campbell River, at the north end of Vancouver Island, and utilize the extensive iron ore deposits of Texada Island, nearby, for the production of steel on the Pacific coast is said to be well within the realm of possibility as a result of negotiations now proceeding between eastern capitalists and the provincial government.

If financial details can be worked out, the provincial government will subsidize the projected steel industry through legislation recently amended which provides that the province may pay a bonus of $3 a ton on pig iron manufactured in British Columbia from B. C. ore and $1.50 a ton on pig iron manufactured in B. C. from ore mined outside the province. The limit has been set at $2,000,000.

Planning Since 1929

Premier Tolmie says that he has been working on a steel development for British Columbia since 1929, when he first took office. The Federal Government, he points out, has paid bonuses on pig iron produced in Eastern Canada and a successful industry has been developed there. The same consideration is expected for the Pacific coast and Ottawa will be asked for aid.

"We have many advantages here for the steel industry," said Premier Tolmie. "We have large iron deposits and limestone nearby on Texada Island and coal is close at hand, too. It is argued here that iron and steel made here could compete successfully in the Pacific coast states with eastern steel, because of the heavy cost of shipping long distances."

Nels Lougheed, former minister of public works in the provincial government, introduced representatives of the steel syndicate to the government. N. J. Landahl, who negotiated for some years with a former government as head of the Coast Range Steel Company, is acting for the syndicate.

Mr. Landahl says that the industry as at present planned would give employment to more than 2,000 men.

Manitoba Gold Output Up

Manitoba's gold production in March rose sharply from the February total, the former being 14,120 ounces as against February's 10,223 ounces. The March production was the highest since August, 1932.

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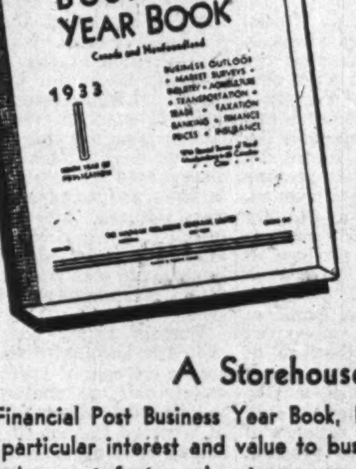

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Wheat

From Our Grain Correspondent

Rain Brings Relief

GRASSHOPPERS and rootrots have added their toll to the losses through drought in the Prairies, although some relief was obtained from the latter by rains over wide areas during the past week, according to the weekly crop report of the Dominion Bureau of Statistics dated June 27. The serious damage from grasshoppers and rootrots is emphasized, however.

Grain producers in the Prairie provinces are encountering many trials, particularly drought, heat, hail, insects and disease, the report states. Grasshoppers are becoming migratory and seriously threaten the crops over large southern areas of the three provinces. Rootrots have accentuated the damage from drought in Saskatchewan. During the past week there were good rains in the northern and central districts of the Prairies which either maintained or improved prospects, but further general precipitation is necessary.

Position of the Canadian wheat crop, then, is not so serious as that of the United States although a wide belt along the southern border has not yet received much relief from the drought. Generally lower temperatures and rain in the central and northwestern areas have been beneficial.

* * *

SO FAR the market has shown an extreme lack of interest in the wheat discussions of the London conference. Earlier in the year there seemed to be a feeling that discussions among exporting countries for limiting acreage might result in increased efforts to make European countries self sufficient in wheat, and Liverpool reported that the Geneva conference might have a bearish effect. Lately, however, there has been no indication that the market was paying any attention to wheat discussions at London, or that they were having an effect one way or another. That might be either an indication that the market does not expect anything to develop, or that weather and exchange now dominate the situation to such an extent that there is no chance for other factors to be effectively registered.

* * *

Dollar Wheat and Acreage Cut

NOW that dollar wheat is in sight in the United States, the administration's proposals for an acreage reduction campaign take on a new light. Will it be practicable to add a tax equivalent to 30 cents a bushel to such a price, without arousing the resentment of consumers, or without causing some diminution of consumption? If the tax is imposed as planned, will it have a tendency to drive down the open market price of wheat in domestic markets, instead of merely advancing flour prices to consumers? On the other hand if the government hesitates to impose it at the full amount first mentioned, will there be sufficient funds available to carry through the programme on the scale first planned? And will it be as easy to secure acreage reduction when wheat is commanding such a price?

The Canadian attitude is bound to be one of hope that the plan to reduce acreage will not be interfered with, and secondly that in carrying it out the price on the open market will not be reduced to any great extent, as high prices in the United States are an advertisement to all the world of conditions, and are likely to exercise an encouraging influence on prices elsewhere.

* * *

Drought in Australia

FULL information about conditions in Australia is difficult to obtain at this distance, but both in that country and in Liverpool increasing attention appears to be paid to the very dry conditions which have now prevailed for a long time. Because of drought the wheat seeding season has been prolonged much later than usual, and no authoritative estimate of acreage to be finally put into wheat is yet available. Evidently as it now stands there has been a big reduction, but it appears possible for fairly large areas yet to be seeded should rain come in time. Moved by possibilities of a short crop Australian farmers are reported to be holding their remaining supplies more closely, and they are further encouraged in this policy by the continuation of some demand from China for Australian wheat, at a time when Oriental demand, under the influence of new native wheat arrivals, is usually small.

It is too early yet to describe the Australian situation as serious, with six months ahead to harvest time, but Australia's record of past droughts indicates that there is a possibility of it becoming serious.

U. S. WHEAT LEVY EFFECTIVE JULY 9

Opponents Claim 30 Cent Tax Will Work Hardship

Announcement was made this week that the United States processing levy of 30 cents a bushel would become effective midnight, July 8. The levy, which will be collected from millers and other users of wheat, will be used to pay farmers in the form of cash benefits for reducing acreage during 1934 and 1935.

At the same time as the levy was announced, a compensating tax or tariff of the same amount was clamped on all wheat imports.

Effect of the levy will be to make the cost of wheat to millers approximately $1.30 a bushel and this increase will undoubtedly be passed on to consumers. It is stated that there is a probability of opponents of the action of the farm relief board instituting an immediate test, holding that the tax, in combination with the increased prices, will work an injustice on consumers.

Grain and Milling in Canada

WEST STANDS FOUR SQUARE AGAINST CUT

Premiers Forced to Withdraw Support From Acreage Cut

CABLE BENNETT

Previous Promise to Guarantee Passage of Legislation Disavowed — West Very Dubious

From Our Own Correspondent

WINNIPEG.—Prairie premiers, startled by expressions of dissent coming with a vigor and a degree of unanimity that is rare, were forced practically to disavow, in private cables forwarded to Premier Bennett, at London, the policy of legislative reduction of wheat acreage to which they had publicly committed themselves only a few weeks before. On May 30 they declared that they "pledged the support of their respective provincial governments to the principle of such curtailment of wheat production or control of exports, and offer to cooperate with the federal government in formulating plans to carry this principle into operation in Canada."

If that declaration meant anything it meant that the Prairie premiers undertook, should other countries agree to similar measures, to get legislation passed that would restrict the right of Western farmers to grow as much wheat as they desired. Their subsequent intimation to Premier Bennett that they really did not mean legislation, but would confine themselves to moral support of wheat acreage reduction, was in effect a confession that they could not deliver the goods, and a recognition of the fact that the West would not stand for such a programme.

Premiers' Stand Attacked

The premiers' stand was criticized and mocked from its first announcement, by a flood of criticism, in which practically all newspapers, and many private individuals, joined. But even more important in making them change their minds were the private communications made to them, ranging from suggestions that they would never be able to get such laws passed by any Western legislature, to threats of repudiation by some of their principal supporters. Political extinction was freely promised them if they sought to carry into effect enforced reduction of wheat acreage, no matter what concurrent agreements were made by other countries.

If the conferences at Geneva and at London appeared to be getting close to agreements for restricting production it must have been because, on the basis of the premiers' expressed opinion, Western Canada appeared to be in favor of such a plan. If such agreements fail to be reached, it will probably be largely because of the enforced retirement of the Western premiers from their former opinion.

Western Opinion

Why has the attitude of the West on this subject been so determined? At bottom, of course, because wheat production is its main business, the basis of its development, the hope of its future. To tell it that it must produce less wheat is to deny the usefulness of the activity which is the basis of its existence.

It is to deny the theory that the West can produce better wheat and cheaper wheat than the rest of the world. It is like telling a man that it would have been better if he had never been born. "Admitted," says the West, "that there is too much wheat being produced for present market requirements. Let someone else quit."

Then, too, the West is thoroughly disillusioned on the question of control of or interference with marketing. The promise of higher wheat prices from controlled production simply does not register. When the premiers' stand was announced, attention was focussed, not on higher prices promised, but on the details of restriction.

U.S.A. Influence

Developments in the United States have had a large effect in making the West believe that the wheat situation after all is not necessarily a desperate one. For years it has been the expectation of Western Canada that sooner or later the United States would be forced out of the export wheat market, because costs of production in that country, with higher priced land and higher taxes than in Canada will not enable farmers there to produce at prices that will enable farmers in this country to get by. Now the United States is on the point of abandoning production for export by reducing acreage to the level of domestic needs.

True, it proposes such a step through government action, by subsidizing farmers, at the expense of bread consumers, not to produce, and such a scheme may or may not be successful. But if it will not work, economic pressure is likely to bring about the same result. No agreement on the part of Canada will hasten that reduction in the United States. Instead, such action in this country would be more likely to delay the process, and by encouraging belief in the attractiveness of the world market, result in less reduction in the United States than would otherwise be brought about.

Threats From U.S.A.

Both from Geneva and London, and from Washington there have come reports that the United States was trying to enforce a programme of legislative reduction of acreage on other countries, by threats to dump her surplus into international markets at any price it will bring. To a large extent these suggestions have been ignored in Western Canada, but had they been considered the reaction would have been "what of it?" In the first place it cannot be done without upsetting the programme to which the United States has set itself.

If the government buys up a lot of wheat and ships it out of the country, domestic prices will rise to such a point that the government will be unable to impose an additional tax in order to find funds for its plans. But if in spite of that difficulty the United States wants to get rid of its export surplus before it settles down to a purely domestic basis, perhaps the sooner that is done the better, and one phase of the wheat problem will be definitely cleared up.

It Can't be Done

Besides these general considerations is the belief that the thing just can't be done. No matter what the intention of the Federal Government, no matter what laws the provincial legislatures might be induced to enact, preventing farmers by law from growing wheat simply will not work. Such laws would be disregarded by a large number of farmers, and perhaps when that fact was realized, by practically all farmers. Should they be capable of enforcement they would be grossly unfair in their application to different farmers, and to different areas.

Further, to the extent that they should be successful, they would increase the cost of producing wheat, and impair the quality. Knowing the difficulty of applying such laws in Western Canada, it must be assumed that other countries would have difficulty in keeping any engagements they might make. So what Western Canada might get, in return for what she might give, or try to give, would be of doubtful value. Indeed, the restriction programme, by encouraging a belief in higher prices, might actually bring about production of more wheat than would otherwise be produced.

Whose Idea Was It?

With the premiers shown to be so hopelessly wrong with regard to Western sentiment, it is likely to be asked who started this idea, anyway. It can't be blamed upon the pools, which have carefully refrained from any endorsation, while leaders of the Saskatchewan Pool have publicly taken a stand against legislation restriction. But the pools, or rather one element in the pool leadership which has striven to keep up the idea of controlled marketing, wanted something else, something they have wanted for years. They wanted international agreements to control exports.

The Canadian export quota would have to be administered by an agency. The old pool central selling agency is now in the hands of the government. It might take on such work, and might later be restored to pool control. Thus, the idea to monopolistic control of the Canadian wheat business, almost, but not quite extinguished by past pool failures, might flame up into new life.

Try to Have Both

John I. McFarland, nominally head of the pool Central Selling Agency, but actually government representative in the wheat business has never given any public encouragement, and probably no private encouragement, to such an idea. But he has, for several years, been steadily urging that there is too much wheat, and that farmers would have to produce less before they could hope for better prices.

Then the United States decided to reduce its own production, and the administration determined to try to enforce this policy on other countries, in case they should, after all produce some surplus, and want to find a place to put it.

Bungling Premiers

In the meantime, the Western premiers, undeterred by the $22,000,000 cost of their pool guarantee experiment, had continued to regard wheat marketing as their special province. Some time ago, after one of their frequent meetings, they announced an intention to investigate the Oriental wheat market, in order to find an enlarged outlet for Canadian grain. By the time of their next meeting they had discovered that such a project was outside of their constitutional sphere, and that they could not spend money as planned. Instead they decided to form a grain problems committee, to be constituted of themselves and three advisers, one for each province. While composed of estimable gentlemen, the committee could not be described as one of experts, nor was it representative in nature.

This committee might not have functioned to any extent had not the American project been developed for international acreage reduction. But at once it was made a medium through which the premiers might announce their pledge of support to a reduction campaign. They seem to have added up the different elements of the problem, the American plan, Mr. McFarland's insistence that there was too much wheat, and the pool desire for international action to control exports. But their addition was wrong, for it brought them the incorrect answer that Western Canada would submit to enforced acreage reduction.

Government Must Sell Wheat Holdings Soon

Deadening Effect of Government Corner Evident —Prices Cannot Adjust Themselves With One Holder Dominant

From Our Own Correspondent

WINNIPEG.—When the Dominion Government's activities in the grain market are discussed in Ottawa or elsewhere in Eastern Canada the principal problem appears to be whether or not there is going to be any net loss, and if so what is the extent of the loss. In Winnipeg, however, and in other market centres the problem is not at what cost, but when the government can get out.

The grain market it is believed, simply will not, or rather cannot, function at full efficiency, securing either the maximum of exports or the maximum of price, so long as the government is the principal factor in it. For who will be in any hurry to buy wheat so long as the government is known to have great quantities which it must sooner or later sell? Who will attempt to calculate the probable future needs of consumers or the probable supplies available, when the mind of the holder of the biggest block of wheat in the world cannot even be guessed?

Similar U. S. Experience

The United States Government, through its farm board, was not long ago in a similar position to the Canadian Government, the greatest holder of wheat in the market, the holder of nearly all the wheat in commercial positions. Other buyers, there, as is now the case in Canada, were lacking because they did not care, or did not dare, to take the risk of competing with the government. They would risk their judgment on everything else except what course government policy might take in the future. Finally the government got out, and there has been a stronger and healthier market since. When the government finally gets out in Canada there will be a healthier situation.

That is not to say that the government action in entering the market, or the conduct of its operations since, is subject to a great deal of criticism. It was drawn in through the pressure of events, it got in deeper through the fact that it was already in. Criticism is inclined to await a demonstration of its skill in extricating itself.

Error Was In 1930

The original error on the part of the Dominion Government took place in 1930 when it allowed itself to be persuaded by the provincial premiers to guarantee the operations of the pool, and thereby forced pool farmers, whether they wanted to or not, to continue marketing under their pool contracts. By that time many of them, perhaps most, wanted to get out. Had those who wanted release been then let out, and pool operations confined to the handling of the grain of those who wished to remain, those who got out would have had more money for their wheat. Moreover the transition from the pool period to the open market period would have been eased. A year later that transition came with great abruptness, for it was found necessary to release all pool farmers from their contracts, at just the time when the Farm Board in the United States decided to cease its buying operations.

Prior to that event, however, the government had in essence assumed responsibility not only for the finances, but for the management of the pool central selling agency, by its part in securing, along with the banks and the provincial governments, the appointment of a new general manager. No doubt better management was secured, for no one had a higher reputation in the trade than Mr. McFarland, either for ability or integrity, but there was the quite unforeseen consequence that the government had to assume responsibility for market prices.

If the government was to be in, other persons were going to get out. Instead of liquidating pool holdings, amounting to about 70,000,000 bushels when it took hold, the government had to add a similar quantity of wheat in order to prevent prices going still lower, for the more it bought, the more it had to buy.

Pool Wheat Sold

Those statements really need some correction, however, for the pool wheat really was sold, every bushels of it, and the wheat has long since left the country and has passed into consumption. To replace it the government did not buy an equivalent quantity, but promised to buy, and at the same time promised to buy further quantities. In technical terms it became the holder, not of cash wheat, but of futures. The wheat it had promised to buy was wheat of later crops, much of which is still stored in country and terminal elevators of Western Canada.

Perhaps all this, or some of it, could have been avoided. But at all events it seemed unavoidable at the time, and no one could tell how the market would have responded had prices simply been left alone.

It was not indeed done altogether by the Government alone, for the assistance of the trade, which felt bound to support the Government, was extended. In effect the Government established a gigantic corner in wheat, for it was in the position of holding the promises of the elevator companies to deliver to it far more grain than they could possibly deliver at the specified times and places. And in turn it had promised to buy and to pay for far more wheat than it presumably would care to accept. From time to time this situation has been adjusted by the Government transferring its obligations to still more distant months, and presumably many of these are now for next October and December. Before those months arrive there will have to be still further switching.

Some Buying Flurries

Since last March there has been from time to time some eager buying in the Winnipeg market. As the Government did not care to sell out its futures there was only a narrow market left, and prices have frequently been forced up sharply. Concurrently export business has fallen off. Could the Government have sold a considerable part of its holdings, and if it had would the export of Canadian grain been greater, possibly at the expense of Australia or the Argentine? Would the price advance have been prevented to any great extent even if it had been delayed briefly from time to time? It is hard even to form an opinion without knowing just what was done, and while there may be good guesses, there is no definite information.

It is believed in Winnipeg that a continued holding policy was dictated from Ottawa, in the belief that the gold value of the Canadian dollar was likely to decline, that prices would naturally rise as a result, and the Government's operations would thereby show a better financial result. That may be sound judgment with respect to dollar values, but the situation still remains to be liquidated, and opportunities for liquidation cannot be indefinitely passed up.

Awkward Market

The market functions badly and awkwardly with the Government in it to such a large extent, with the constant danger either of reduced export business or prices lower than they would be if commercial forces had full sway. Sooner or later the Government must transfer its functions in the futures market to others, a transaction that can only be accomplished gradually, and doubtless over some considerable time.

Possibly there will be even greater opportunities in the near future. As Chicago's usefulness as a hedging market for the world, the position it formerly enjoyed, has passed, and it has come under the influence of purely domestic factors, and is no longer related to the world situation, buyers abroad may be expected to do more futures buying in Winnipeg than formerly.

It is to be hoped that the liquidation of the Government position will not be delayed by any attempt either to make a profit or even to bring losses to an absolute minimum. The important thing is that the deadening influence of so extensive a Government market position as now exists should be lifted to as great an extent and as soon as possible. For it is deadening now, since it is evident that it cannot be extended and must be restricted, and since it prevents or tends to prevent the quick and accurate adjustment of the market to changing conditions. Once it is known that it has been liquidated to some considerable extent, and confidence is established, that there will neither be undue haste nor undue delay in further liquidation, the market will be in a sounder condition.

World Crop Prospects Indicate Small Yields

Damage in U. S. A. and Canada Has Forced Market Price Upward — European Crop Will be Smaller — Australia Drought-Stricken

From Our Own Correspondent

WINNIPEG.—The fact that calamity has overtaken the wheat crop and other small grain crops in the United States, coupled with lower prospects for the Canadian crop than recently prevailed, very poor outlook in Australia, and more moderate prospects in Europe, has caused grain markets to shoot ahead. All at once the picture of the wheat situation has undergone a remarkable change. The United States surplus has been reabsorbed into the domestic needs of that country. The rest of the world is still seen to have a surplus, but one comparatively moderate, and only in Canada and in France are there now seen to be supplies that could be called excessive.

It is unlikely that the United States will produce anything like 500,000,000 bushels of millable wheat, although her total production may statistically reach that figure. But as day after day of withering heat has been experienced in succession from Oklahoma north to the boundary the possible production of both winter and spring wheat has steadily lessened. Crops that have been cut have been found to thresh out even less than anticipated, much of the wheat threshed has proved to be light and poor in quality, of comparatively small value in flour production. More and more fields have been abandoned as not worth threshing, and worth cutting only as hay.

Other Crops Poor

Concurrently feed for livestock has become of more importance, as oats have suffered along with wheat, and grass has proved to be short. The corn crop has meanwhile suffered. The total grain crop of the United States is likely to fall far short of actual needs, and as a result extensive inroads will have be made on all reserves. The 350,000,000 bushels carry-over of wheat, only a short time ago regarded as an incubus, has changed its character, and now appears as a lifesaving reservoir of supplies.

Concurrently, the Canadian crop has suffered a good deal of damage, from heat, from drought and from grasshoppers. The combined toll that all these have taken is very large, but damage reports have possibly received an excessive degree of attention, and it should not yet be assumed that Western Canada may not produce a total crop of fair size. There are still very large areas of good wheat, amply supplied with moisture. There are other large areas still capable of giving excellent results if plentifully supplied with moisture at once. There are small areas where crops may already be recorded as complete or partial failures. In still larger areas that is almost certain to be the result without plentiful supplies of moisture beginning at once.

Unusual Season

The season has been unusual, in that both moisture and heat came much earlier than is considered normal, and the following hot, dry weather was correspondingly earlier. As one result, previous experience is not an altogether reliable guide as to what the crop is able to stand, or what its possibilities are under favorable conditions from now on.

Some of the advance in the Canadian market can be attributed to direct sympathy with the course of prices in the United States, but mainly the effect of conditions there may be said to be indirect. It needed such a market as has been seen there to emphasize on the minds of buyers abroad that wheat in the United States is no longer to be considered part of the supply available for world markets. Although it is a long time since the United States has done any commercial exporting due to the ability of the market there to sustain prices far above the export level, observers overseas had really not until lately ceased to account in the wheat reserves in the United States as if they were sooner or later to be put into export channels. Now that it is apparent there is to be no competition from that surplus with the marketing of Canadian wheat, ideas have been revised to the desirability of making forward commitments.

Europe's Crop Lower

For the European continent as a whole excluding Russia, wheat production is likely this year to fall below last year's total. True, the Danubian countries have in prospect a larger crop than the extremely small one harvested last year, but unfavorable weather, combined with rust, makes a much smaller increase probable now than was considered likely a few weeks ago. Everywhere else production is likely to be down. The greatest drop appears to be in Spain, although that country always manages to get along without any very large imports, even when home production is poor.

Developments in France make it clear that last year's crop was very large, and left France with a considerable quantity of wheat to be carried into the new year. Apparently there is a determination to keep out any imported wheat at all, even the limited quantities of hard wheat which were formerly considered essential to give a proper degree of strength to flour. Northern Africa had a comparatively poor out-turn, possibly 22,000,000 bushels less than a year ago.

Australian Acreage Down

Continued drought in Australia is taken to indicate that a reduction in acreage has taken place, as some fairly large areas were not to be seeded unless enough moisture was assured for crop germination. The production of the remaining areas, it is now thought, is likely to be comparatively small, and if drought continues much longer, perhaps very small.

Argentina, on the other hand, reports a full, if not an increased acreage, and conditions are thought to be satisfactory so far. Seeding has not yet been completed, and there is a possibility that changing price conditions might divert some acreage into either flax or corn.

Russian reports have lately been favorable, so far as progress of the spring seeding is concerned. However it is to be remembered that the winter wheat acreage was considerably decreased last fall, and some of the spring wheat crip appears to have gone in decidedly late. With present deficiency of grain known to exist over large parts of Russia it is difficult to believe that the government will be willing to see much grain exported during the coming crop year, but it is difficult to guess what effect advancing prices might have.

Exchange Level Important

The rise in the value of sterling, or conversely the fall of the Canadian dollar in terms of gold, largely under the influence of the United States dollar, has been an important influence in getting prices up to their present level, and while Liverpool prices have had some advance it has been much less proportionately than that recorded in Winnipeg. Possible variation in exchange level, which are likely to be reflected immediately in grain prices, must be watched for by any one who is attempting to follow the course of the market.

Grain Briefs

Wheat Stocks in store during the week ended June 24 amounted to 196,007,296 bu. compared with 192,128,790 bu. in the previous week and 137,778,287 bu. at the same date a year ago.

Wheat Exports during the week ended June 24 amounted to 3,621,484 bu. compared with 3,539,805 bu. in the previous week and 5,108,071 bu. in the corresponding week a year ago.

Winnipeg Grain Prices

Week to June 27

Crop year from Aug. 1, 1932 High	Low		Open June 21	High for week	Low for week	Close June 27
		Wheat				
.80¾	.41¾	July	.66	.80¾	.65⅞	.79⅝
.83⅛	.46⅜	October	.68⅛	.83⅛	.68¼	.81¾
.85	.65	December	.69⅝	.85	.69⅝	.83¼
		Oats				
.35⅝	.21½	July	.28⅞	.35⅝	.28⅞	.35
.37⅞	.21⅞	October	.31	.37⅞	.30⅝	.37½
.39⅛	.28½	December	.30⅞	.39⅛	.30¾	.38¾
		Barley				
.44¾	.26	July	.37⅞	.44¾	.37⅞	.44¼
.47¼	.27¼	October	.39⅞	.47¼	.39½	.46¾
.48½	.39⅝	December	.....	.48½	.40⅛	.48
		Flax				
1.74½	.71⅝	July	1.38⅜	1.74½	1.30⅜	1.67⅞
1.75	.76	October	1.31	1.75	1.31	1.69
1.72¼	1.22½	December	1.31¾	1.72¼	1.31⅜	1.68
		Rye				
.67	.31	July	.52¼	.67	.52¼	.66⅝
.70⅝	.34	October	.54¼	.70⅝	.54¼	69⅝
.72	.52⅛	December	.57⅛	.72	.57⅛	.71½

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Your Investments

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Investment Men Suggest More Details on Issues

Committee of Investment Bankers' Association of Canada Indicates Necessary Fundamentals for Benefit of Investor and Issuer

Some useful rules for investors, as well as for investment bankers, are laid down in a report of a special committee under F. J. Coombs, of A. E. Ames & Co., Ltd., which was presented at the recent annual meeting of the Investment Bankers' Association of Canada.

Four fundamental considerations behind issues of corporation bonds and shares are cited in the report. They are: security, earnings record, nature of business, and management.

The report includes also an admission of some of the shortcomings of investment bankers in recent years, and urges keener study of financing problems by those in the business.

An abbreviated version of some of the chief features of the lengthy report follows:

Analysis of Considerations

Security. — Generally this includes all four considerations, but here we refer specifically to the tangible security, such as fixed assets, together with net current assets. Some authorities consider that liquid or current assets only should primarily be the basis for issues of corporation bonds or preference shares.

Earnings. — The record of earnings over a period of years constitutes one of the acid tests of the strength of the security. One authority has stated that in considering a corporation issue less regard should be given to bricks and mortar and more regard to the earning power. Regard should be had to the earnings of each individual year. Special earnings, also profits or losses of a non-recurring nature, should always be taken into account in sizing up the earning power of a corporation.

Nature of Business. — Some of the questions which require to be answered under this heading are:

(a) Is the business of a stable nature, and how long has it been in existence?

(b) Is the business highly competitive?

(c) Does its prosperity depend on patents?

(d) Is it unusually sensitive to seasonal or periodic conditions?

(e) Is the product one which has reasonable grounds for increasing demand, or is the demand liable to decrease?

There are other questions that should present themselves for consideration. The company may have a splendid balance sheet and satisfactory profit and loss account over a period of years, but if its business is of such a nature that it seems likely to disappear or decline considerably, timely recognition of this fact will manifestly work out to the advantage both of the investor and the investment banker.

Management. — Last, but by no means least comes management. Too much stress cannot be laid upon this important factor as the payment of interest or dividends upon the capital employed is dependent upon good management. The ability to size up management is one of the most important adjuncts of the investment banker. It presents many difficulties and combines a sense of intuition coupled with broad experience in business and in dealing with business men and with the vagaries of human nature.

Mistakes of Recent Years

The history of the past five years in the issue of corporation securities gives ample evidence that in connection with future financing problems a higher degree of knowledge of the principles of sound investment must be observed if investment bankers are to merit the confidence of the investing public. A great deal of attention of a more or less critical nature has been directed to the investment banking business during the past year in the United States as well as in our own country, having regard particularly to the experience of the period prior to and immediately following the summer of 1929. It must be admitted that many errors were made, and to dwell on these at length would perhaps be salutary and profitable.

Admitting past errors, it is perhaps only fair to direct attention to general world-wide conditions during that period — conditions which were of a character not previously experienced for very many years. Many of the most conservative business men and economic experts were at a loss to correctly size up the existing situation which appeared for a time as if business expansion must continue for an indefinite period. Increasing opportunities seemed to demand more and more capital for what appeared to be legitimate business expansion. The over-optimism of the period, however, has proved to be costly to industry and the investment banker, as well as to the investor. It is sincerely hoped that all have learned a lesson from this experience.

As a result of these conditions attention has been directed to the need for corrective legislation which will give more adequate protection to the investing public, particularly to those whose lack of knowledge and experience renders them easily susceptible to the persuasion of those who by design do not scruple to take advantage of the ignorant and unsophisticated person with money in the bank or with marketable securities on hand which afford a tempting opportunity for suggestions for exchange to securities of lesser value or, as has happened in many cases, of little or no value at all. Any legislation of a constructive nature which will afford a real protection to the investor is welcomed and will receive the hearty support of members of this association.

Suggestions for Investment Bankers

(a) A more thorough knowledge of sound investment by all members of investment banking organizations.

(b) More attention to be given to the training of sales staffs.

(c) Every investor, whether bondholder or shareholder, should have access to, or be furnished, either by mail or through the newspapers, with the annual report of any company in which he has money invested and this report should be available at least within three months after the close of the fiscal year.

(d) Annual reports should be certified by qualified chartered accountants and should contain in detail a full statement regarding the assets and liabilities of the company. Land, buildings, machinery, etc., should be shown separately as well as the deduction for depreciation. Current or liquid assets should also be clearly shown in separate amounts. All liabilities should also be clearly indicated including all contingent liabilities of the company. Net earnings should be separated into such items as operating profit, interest on investments, other income, etc., while items of profit or loss of a non-recurring nature should be so indicated. Auditors should bear in mind that their report is primarily for the shareholders on whose behalf they have been appointed.

(e) Every effort should be made to provide accurate and complete information in connection with offerings of securities.

In addition to lists of general information on all types of stocks and bonds offered, the committee's report suggests that the following information should be provided in circulars on specific types of securities:

Industrial Offerings

1. Description of industry.
2. Position of company in industry.
3. Description of management.
4. Description of property, including size, capacity or some measure of output.
5. Understandable balance sheet of recent date, certified by competent auditors, with comments on inventory, working capital, etc.
6. Earnings by years, not averages, certified by competent auditors, with statement as to depreciation, etc., and dividend record.
7. Security for issue—
   (a) Property covered.
   (b) Prior liens.
   (c) Value of equity if possible.
   (d) Depreciation reserve, etc.

Investment Companies or Trusts

1. Complete list of officers and directors.
2. The outline of the plan of capitalization.
3. Whether the securities offered are secured by any lien or represent merely a general debt.
4. Whether there are in existence any liens upon the assets.
5. What restrictions, if any, exist regarding the investment powers of the management.
6. Whether audited statements will be published and if so, how frequently and to what extent information will be released.

Public Services

1. Description, including location, characteristics of territory and population served.
2. Service furnished, including proportion between kinds of service.
3. Franchises, including public relations, regulation of rates, etc.
4. Description of property, capacity, output, engineering features, etc.
5. Description of management.
6. Valuation of property and basis of valuation.
7. Balance sheet of recent date, certified by competent auditors, and clear statement of capitalization.
8. Earnings, certified by competent auditors, including operating ratio, statement as to depreciation, ratio of net to charges, dividend record.
9. Actual figures or percentage of gross earnings for maintenance should be clearly set forth.
10. Clear statement either in circular or by footnote showing estimated taxes and depreciation.
11. Security for issue—
    (a) Property covered.
    (b) Prior liens.
    (c) Value of equity, if possible.
    (d) Depreciation reserve, etc.
12. Circulars should obtain full and adequate information regarding all material factors, and further, there should be in the hands of issuing bankers complete detailed information and statistics covering every phase of the offering. This information should be obtainable (without trouble) upon application, and so stated in the circular.

Public Service Holding Companies

Having regard to "General Specifications" indicated above, circulars should contain information on the following points:

1. Companies whose securities are held.
2. Schedule showing proportion of total securities held.
3. Management, stating whether operating or otherwise.
4. Consolidated balance sheet of recent date, certified by competent auditors, and clear statement of capitalization, showing prior securities outstanding, including those of subsidiaries.
5. Earnings, certified by competent auditors, including consolidated statement, showing earnings applicable to holding company securities, income statement of holding company and dividend record.
6. Clear statement either in circular or by footnote showing estimated taxes and depreciation.
7. Actual figures or percentages of gross earnings for maintenance should be clearly set forth.
8. Security for issue—
   (a) Property or securities covered.
   (b) Prior liens.
   (c) Value of equity, if possible.
   (d) Depreciation reserve, etc.
9. All circulars should contain full and adequate information regarding all material factors, and further, there should be in the hands of issuing bankers complete detailed information and statistics covering every phase of the offering. This information should be obtainable upon application, and so stated in the circular.

Traders Finance

What is the present market value of shares of Traders Finance Corp.? I hold both preferred and common stock and would like some indication as to the prospects of this company.

There is very little market for the shares of Traders Finance Corp. but there is at present a bid of 23 on the series A 7 per cent preferred shares and a bid of 55c. on the bid of common shares with no stock offered. As far as we are aware, there is no market on the series B 8 per cent preferred shares. Quotations on Traders Finance stock can be found weekly in The Financial Post among quotations on unlisted Canadian stocks furnished by A. J. Pattison Jr. & Co., Toronto. The quotations are included among the trust and loan company group.

It is extremely difficult to estimate the future prospects of Traders Finance Corp. which has had heavy losses in the past two years. The company is no longer handling all the Ford business in Canada but without the Ford contract is free to contact other automobile dealers. Whether the company can get enough business from individual dealers to offset the Ford business loss, we can not say. Improvement in general business conditions should materially assist the company in making collections and improvement in automobile sales gives the company a wider field in which to operate.

Goderich Elevator

Will you advise me as to your opinion of the stock of the Goderich Elevator & Transit Co. as a purchase for a client who is a business man owning substantial investments of a sound nature?

Stock of Goderich Elevator & Transit Co. is purely a business man's speculation which might be satisfactory for your client if he has any information on, or experience in the grain trade. The company has outstanding 34,006 shares of common stock and no funded debt. The shares are not listed but are traded on an over the counter basis with current quotations of 7¼ bid and 8½ asked.

In the 1932 season, results of which appear in the company's fiscal year ended March 31, 1933, the usual flow of grain through lake port elevators was curtailed and traffic handled by Goderich Elevators was down 42 per cent from the preceding year while revenues were down 42.2 per cent. In the last fiscal year, the company had total income of $141,375 as compared with $267,357 the preceding year and net earnings were down to $90,804 from $209,568. After providing for various charges and depreciation reserve at half of the usual rate the company ended the year with a net profit of $24,693 and after paying dividends of $50,404 reduced surplus carried forward to $104,977.

The working capital position of the company is weak with current assets at $23,741 made up of charges due and accrued and cash surrender value of life insurance while current liabilities of $120,802 include bank loan of $103,347.

The annual statement of the president indicated that there was hope of improved earnings in the current year but to what extent these hopes will materialize, we are not aware. A dividend of 25 cents per share has been declared payable July 3 to shareholders of record June 15. Last payment was of the same amount and was paid January 2, 1933.

The management is very well regarded in the industry.

Great Lakes Paper

Have you any information on the position of Great Lakes Paper which would help me to determine whether or not I should sell my holdings of this company's bonds?

Great Lakes Paper Co. is being operated by the National Trust Co. as receivers for the bondholders.

The company has a good volume of tonnage on hand and we are given to understand that operations will be conducted on a good scale until the end of the year. There are no indications of an early lifting of the receivership. The value of the company's bonds is so low that there is no apparent advantage in selling.

B. C. Power

I would appreciate an outline of the position of the B. C. Power Corp. Are its earnings keeping up and will the company be able to maintain the dividend on its A shares?

British Columbia Power Corp. is the principal public utility operating in British Columbia, with operations centred around Vancouver on the mainland and Victoria on the island. It has been in existence for many years and has recorded steady expansion of operations and earnings. During the current year, however, earnings have fallen away and it is not expected that the company will be able to show sufficient income to cover the $2 dividends on the Class "A" stock. Expectations are that the dividend will be reduced, unless there is a pick-up in revenue.

Canada Biscuit

Will you be good enough to let me know what has happened to Canada Biscuit Co.? I hold a small block of bonds in this concern.

Canada Biscuit Co. passed its bond interest in the early part of 1932 and in July the bondholders approved a plan of reorganization. Under this plan the capital stock was reduced to 89,000 common shares, of which 17,905 were allotted to bondholders in lieu of interest payable on May 1 and November 1, 1932, and May 1, 1933. The bondholders released the company from its obligation to pay interest on these dates. In case the company fails to pay interest due November 1, 1933, the bondholders have agreed to waive such default until May 1, 1946. It was also agreed that all payments of principal, sinking fund, interest or premium in respect to the bonds shall be paid in Canadian funds only.

The sinking fund is suspended until May 1, 1935, payment thereafter to be made in two equal installments on May 1 and November 1 of each year.

The bondholders also agreed to the issuance of $300,000 principal amount of prior lien bonds, which were sold for the purpose of providing the company with additional working capital.

Canada Steamships

The interest on my Canada Steamship bonds was not paid in April last. Can you tell me how long I will have to wait before the company makes good on its interest payments?

Following the failure of Canada Steamship Lines to pay interest on its general mortgage bonds, a Bondholders' Protective Committee was formed to look after the interests of the holders of this issue.

It is impossible for us to give you an opinion as to the time when bond interest payments are likely to be resumed. Much will depend upon the investigation of the committee. It is possible that a reorganization of the company may be undertaken in order to place it on a sounder financial footing.

Shawinigan

Some friends of mine have been bullish on Shawinigan and suggest that I buy a few shares. Can you tell me something about the company?

Shawinigan Water and Power Co. is one of the principal water power operators in Quebec. Its output is being well absorbed, but, on the other hand, income has been somewhat lower in the last two years. This has been due to the necessity of selling power at a lower figure—a condition which is regarded as temporary. Last year earnings of the company's common stock were equivalent to $1.16 a share against which dividends of 75 cents were paid. At the present time the capital stock is on a dividend basis of 50 cents annually and interim reports for 1933 would indicate that the company will be able to maintain the lower rate.

Silverwood's

I would like your opinion as to the present position and future prospects of the Silverwood Dairies, Limited, of London, Ont.

The financial statement of Silverwood Dairies Limited of London, Ontario for the year ending March 31, 1932, is not yet available. The company paid dividends both on its seven per cent cumulative preferred, on its common A stock and its common stock in 1931 but paid no dividends on the common A or the common in 1932 or in 1933 to date. With the payment due April 1, 1933 the company also reduced the preferred stock dividend payment to a basis of $4 a year instead of $7. The company's outstanding stock consists of $3,332,500 of three per cent preferred cumulative convertible stock of $100 par value; 147,765 no par value class A or ordinary shares and 25,000 no par value common shares.

It is a holding and operating company which through its subsidiaries and associated companies is engaged in Ontario in the sale, retail and wholesale, of milk, cream, eggs and poultry and the manufacture and distribution of butter, ice cream, condensed milk, evaporated milk, powdered milk, buttermilk powder and other dairy specialties and also artificial ice. The company operates eight public cold storages and has 950 employees. It holds the controlling interest in the stock of 25 subsidiary companies with plants in various centres through southern Ontario, from Windsor to the Niagara frontier and also along the north shore of Lake Ontario in Toronto and Peterborough.

A statement issued on April 18 stated that in the forthcoming financial report for last year Silverwood Dairies will show a small addition to surplus as the company is now virtually free of bank loans. It is also stated in this authoritative statement that mortgage and other obligations have been reduced. This improvement was made possible, it was indicated, through rigid economies effected in all departments, including two general reductions during the year of salaries and wages.

An earlier statement still, emanating from the office of Silverwood's, states that the operating results for the first ten months indicated that Silverwood Dairies would end the year with a reduced profit but with an improved liquid position. Increasing taxation, reduced spread between prices paid to producers and retail prices and the increasing amount of milk offered at wholesale prices is stated to be responsible for the lower output.

J. A. Duplan, recently appointed general manager, but who has been a considerable time with the company, at the recent parliamentary probe stated that a profit of $300,000 had been made by the Silverwood company in the year ended April 1, 1933. He stated that a policy of paying dividends, rather than building up reserves from profits had been followed. He also stated that approximately 65 per cent of the shareholders were producers and employees. He stated that the average profit on fluid milk for the whole organization was .49 cents per quart. The spread between producers' and consumers' prices averaged 5.9 cents per quart. As of April 1, 1933 there were 5,020 shareholders of whom 2,448 were producers of dairy products and a large number of whom were shippers to the Silverwood organization. There were 858 employee shareholders.

The holding company has outstanding six per cent collateral debentures amounting to $241,750. Bonds of subsidiary companies outstanding in the hands of the public as at April 1, 1933 amounted to $219,300.

On April 2, 1932, Silverwood's showed an excess of current liabilities over current assets. An effort has been made to improve that position.

You also ask us as to the future prospects. The position of the whole dairy industry will be improved when purchasing power of farmers improves as a result of improved prices for other farm products. The need of cash has brought into the milk business many farmers, who did not formerly ship milk to principal consuming markets. There is more milk available than there is a market for. That situation must improve before Silverwood earnings will be sufficient to restore working capital and to renew dividends. In other words, the surplus of milk searching for a market will increase competitive activity and tend to lower profits for all distributors.

Corporate Investors

I should like to get as much information as possible with regard to Corporate Investors Ltd. When was this company formed and is it well sponsored?

Corporate Investors Ltd., was formed late in 1931 but while a comparatively small number of prominent business men called the Founders invested in the company's stock, no public offering was made until late in 1932. The management of the trust appears to be proceeding along extremely conservative lines and providing that sufficient capital can be raised through sale of stock, there seems to be good prospect for continued development along profitable lines.

The company has only one class of stock with 1,000,000 shares of no par value authorized. No bonus stock has been issued and Founders took up their shares at price of $5.60 per share while the offering price to the public to date has been $5.50 per share. The Founders received option warrants entitling them to purchase a total of 50,000 shares at a price of $5.50 per share up to December 31, 1936, for the initial capital that they put into the company. It is understood that no further option warrants will be issued. Recently, the Founders relinquished certain of their option warrants in order to bonus shareholders of TransAmerica Corp., another investment trust, which is being liquidated and the cash received from sale of securities will be used to purchase shares of Corporate Investors Ltd. This will give Corporate Investors Ltd. some $40,000 of additional capital. Sales and management costs of Corporate Investors, Ltd., have been kept very low. There is no tie-up with any investment banking house and the calibre of the members of the directorate would indicate that the trust will be carried on along the lines of the British type of investment trust.

Until this trust is soundly established, with a substantial number of shares outstanding, there will be a greater degree of speculation attached to the purchase of the shares than there would be after the trust is firmly established and is able to show a successful record of operations over a period of several years. There is also the question of marketability of the company's stock. A resale market is not definitely assured, although it is our understanding that the stock will be listed as soon as practicable. No balance sheet or earnings statement has as yet been issued but the investment portfolio as at December 31, 1932, shows funds invested entirely in government, municipal and high grade corporation bonds. Since that date, some 10 per cent of the company's assets has been invested in a selected list of preferred stocks paying dividends. Initial dividends on the stock outstanding will be made in July. The policy of the company is to pay dividends only out of income while realized profits on securities sold will be reinvested.

Huron & Erie Mtge.

What is your opinion of the purchase of stock of Huron & Erie Mortgage Corp. as an investment for a long hold?

Huron & Erie Mortgage Corp. was originally incorporated in 1864 and has had a long record of regular dividend payments which have been uninterrupted since 1891 at least. While net earnings of the company showed some decline in 1931 and 1932 the annual dividend of 8 per cent was slightly more than earned and was paid. With the dividend payable April 1, 1933, the rate was reduced to 7 per cent and if collections do not improve there is always the possibility of another reduction.

With mortgage, loans and accrued interest amounting to $37,159,000 the company has, of course, been affected by current conditions and provincial moratoria on mortgages, which have affected collections. There is reason to believe, however, that the company has set up secret reserves for a period of years which would offset at least part of the losses which may have been sustained on mortgages. Improvement in general business conditions may not necessarily be reflected in immediate improvement in the company's earnings. Peak earnings generally come after a depression has actually started. To what extent such a lag will affect their market price we cannot say, but as a long hold the stock is well worth considering.

Monarch Mortgage

We should be glad if you would advise us as to the position of Monarch Mortgage & Investment, Ltd., located at 45 Richmond St., West, Toronto. In your reply please quote the present market value of their preferred and common stock.

Monarch Mortgage & Investments Ltd., deals almost entirely in second mortgages, of which it held $376,642 as at December 31, 1932, plus $23,227 in past due interest. Real estate held by the company was carried at $291,512 against which there were first mortgages amounting to $185,850, leaving net value of real estate held at $105,662. The company has had to take over a large amount of real estate and will take over more real estate as soon as market conditions improve.

We are informed that income of the company from interest, rentals, etc., more than exceeds expenditures involved in carrying properties and the spread between these two items will naturally increase if the rental situation in Toronto, where the company's mortgages are held, shows improvement. Some improvement is looked for during the coming autumn, but how long it will take for the company to get rid of real estate on its hands and resume payment of preferred dividends is a question that is unanswerable at this time.

Three quarterly dividends were paid on the preferred stock during 1932 amounting in all to $15,038, which more than accounted for reduction in surplus from $20,572 at the end of 1931 to $7,517 at the end of 1932. At the end of 1932 the company owed $10,000 to banks, having reduced this item by $5,000 during 1932.

There is practically no market for the company's preferred or common stock at the present time and it may be sometime before preferred shareholders will again receive dividends. Dividends can follow only after a substantial improvement in rental conditions and a return of property values which will enable the company to liquidate real estate held. A. A. Macdonald, president of the company, informs us that even on the basis of May income which is the lowest for the year, the company can continue to carry on and build up liquid position.

Siscoe Gold Mines

What are the possibilities of Siscoe Gold Mines as an investment. Is it earning its dividend and is the outlook for the future bright.

Production of Siscoe Gold Mines in the last four years has steadily advanced from 50 to 225 tons daily and plans are under way for further expansion. Earnings in 1932 were in excess of dividend requirements and reports from the mine indicate new developments at depth are eminently satisfactory, but with the absence of a definite statement of ore reserves the property must be appraised principally on what it has accomplished in the past rather than on its known potentialities. It enjoys excellent management and has a substantial backlog by way of liquid assets.

Monthly Investment Guide

OUR July booklet "Investments" giving the price, yield and maturity of a selected list of Dominion Government, Provincial and Municipal Bonds is now available.

This issue contains an article "The Western Crop" which we believe will be interesting at the present time.

We will gladly mail this investment guide monthly on request.

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WARNING

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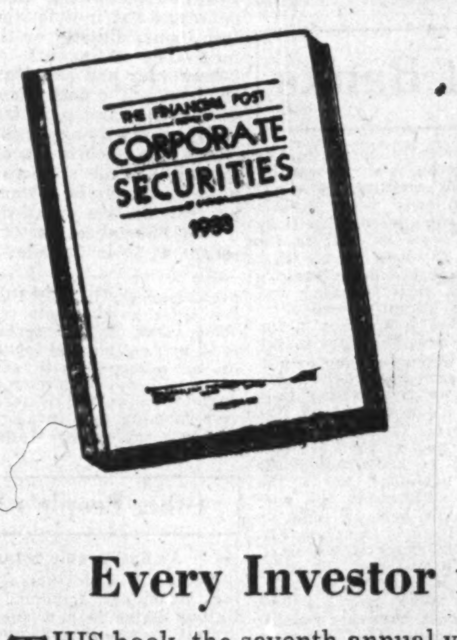

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5. Dividend rate and when payable.
6. Capital structure and funded debt.
7. Funds in which bond interest is payable.

Classification of Securities Reviewed

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Rubber Securities
Iron and Steel Securities
Construction Securities
Pulp and Paper Securities
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Real Estate Securities
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Bank Chat on Current Topics

Causes of U. S. Failures

FAILURES among banks in the United States have been due to a variety of causes and it is not surprising that postmortems are being held to determine just what these causes are and how they can be corrected. A study made by J. J. Driscoll, assistant general counsel for the American Bankers' Association, lists 24 causes of banks closing their doors and in the order of their importance the first ten reasons are: frozen loans; owned insufficient quantity of securities; incompetent management; decline in volume of farm products; depreciation of securities; dishonesty; owned no securities; depreciation in real estate values; withdrawals; lack of earnings. The remaining 14 reasons are largely variations of the first ten. Only rarely was a bank failure the result of one factor; usually three or four causes were contributory. Shrinkage in the value of assets, mainly loans, rather than shrinkage of deposits, was responsible for most failures.

If these causes form the principal stumbling blocks to successful banking it would appear that Canadian banking is in no danger of any break in its commendable record.

Staff Changes

The Bank of Nova Scotia advises that:

W. D. STEWART has been appointed manager at Kempville, Ont., succeeding G. E. SNIDER, who has been granted leave of absence.

W. M. STEEVES has been appointed manager at Oxford. N.S., succeeding W. M. McCUNN who has been granted leave of absence.

H. H. BURTON has been appointed manager at Petitcodiac, N.B.

C. H. CAMERON has been appointed manager at Alberton, P.E.I.

E. H. ACTESON has been appointed manager at River Hebert, N.S.

The Canadian Bank of Commerce has made the following staff appointments:

G. F. SINCLAIR, assistant accountant, Toronto, has been appointed manager By Ward Market, Ottawa.

T. J. KERN, who has been in charge at Avenue Road & Eglinton branch, Toronto, has been made manager.

Gold Value of Dollar is 73 Cents Not 63

In an article appearing in The Financial Post last week, it was stated that Canadian currency in terms of gold was valued at only 63 cents. This was an error, the correct figure being 73 cents.

At the date of The Financial Post calculation, the French franc was quoted at .0537. This represents a premium of .0145 or 37 per cent. The discount, however, is 27 per cent or .0145 over .0537. Thus, the gold value of the Canadian dollar in relation to the French franc was 73 cents on the date of the calculation.

Foreign Exchange

FOREIGN exchange rates were less flighty during the week ended June 26 than has been the case in many recent weeks. Weakness in the United States dollar was again apparent, but some signs of change in this situation are seen.

Inflationary tendencies of the United States administration have, of course, forced the dollar down. This has brought the Canadian dollar up. Authorities now begin to ask whether the price raising programme in the United States will be allowed to stop, and if so, when? This is what must be faced eventually, experts say, and is the big question in all inflationary periods. If it does not stop, complete currency demoralization may occur, they say.

* * *

MEANWHILE British authorities now grant that $4 would perhaps not be too high a value to place on sterling. But immediate possibility of dollar-sterling exchange control seem to have disappeared with the decision of the gold standard bloc at the economic conference to forego their insistence on immediate stabilization. There are some observers, however, who still expect controls may be established, if only on a temporary basis.

FOREIGN EXCHANGE
New York Funds

	High (Premium) %	Low (Premium) %	Last Year High (Premium) %	Last Year Low (Premium) %
June 20	11 1-4	10 3-4	16 5-16	16 1-8
June 21	11 1-2	10 7-8	16 5-16	15 5-8
June 22	11 1-8	10 1-16	15 1-2	14 5-8
June 23	10 3-4	10 1-4	14 7-8	14 1-2
June 24	11	10 5-8	15	14 7-8
June 26	11 1-8	10 1-2	14 15-16	14 13-16

STERLING, FRANCS AND LIRE
Close: Demand in New York

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.526
June 20	4.18 3-4	0.484 1-2	0.644 1-2
June 21	4.16	0.481	0.642
June 22	4.21 1-8	0.489 1-4	0.650 1-4
June 23	4.22	0.488 1-2	0.651
June 24	4.21 7-8	0.488 3-4	0.652 1-4
June 26	4.21 1-2	0.486	0.651

Close: Demand in Toronto

	Sterling	Francs	Lire
Gold par	$4.866	$0.3918	$0.0526
June 20	4.65 1-2	0.0538 1-4	0.0717 1-2
June 21	4.63 3-4	0.0537	0.0716
June 22	4.65 3-4	0.0540 1-2	0.0717 3-8
June 23	4.67 1-2	0.0540 1-4	0.0720 3-4
June 24	4.67 1-4	0.0541 1-4	0.0722
June 26	4.69 1-4	0.0540	0.0750

	Reichsmarks	Belga	Yen
Gold par	$0.238	$0.139	$0.498
June 20	0.3252 1-2	0.1912 1-2	0.2870
June 21	0.3247	0.1904	0.2950
June 22	0.3271	0.1918	0.2924
June 23	0.3280	0.1927	0.2942
June 24	0.3277	0.1921 1-2	0.2945
June 26	0.3262 1-2	0.1925	0.2992

Weekly Bank Clearings

	June 22 1933 $	Change year ago %	June 15, 1933 $
Halifax	2,018,726	—0.1	2,010,658
Saint John	1,541,240	+4.3	1,289,410
Moncton	616,714	—18.9	580,763
Sherbrooke	566,530	—9.4	594,041
Quebec	3,922,252	+2.7	3,911,501
Montreal	85,615,716	+21.6	88,616,484
Ottawa	4,863,115	—5.4	4,542,715
Kingston	550,272	—5.4	562,083
Peterboro	614,859	+1.4	571,117
Toronto	104,632,686	+48.4	134,480,254
Hamilton	3,979,563	+4.6	3,793,471
Kitchener	1,044,975	—17.5	878,360
Brantford	964,816	+21.9	809,308
London	3,063,236	+10.5	2,478,792
Chatham	417,049	+12.3	446,447
Windsor	2,236,892	—11.4	2,131,121
Sarnia	567,123	+5.9	344,368
Sudbury	598,981	+12.8	622,370
Ft. William	844,978	+36.2	516,048
Winnipeg	48,468,287	+34.0	40,369,712
Brandon	293,529	—4.4	249,376
Regina	2,730,949	+8.0	2,563,147
Moose Jaw	472,504	—5.6	459,707
Saskatoon	1,231,726	—20.9	1,049,955
Pr. Albert	245,838	—8.4	191,655
Edmonton	3,455,992	+21.0	2,827,980
Calgary	5,615,667	—8.1	4,738,443
Medicine Hat	198,618	+10.1	159,327
Lethbridge	329,063	+5.8	329,221
N. W'minster	404,111	—6.1	416,091
Vancouver	14,643,629	+24.1	16,734,602
Victoria	1,480,837	+7.6	1,367,314

Current Events in Banking World

May Bank Debits Show Best Upturn Since 1929

Indicate Greater Business and Financial Activity Across Country — Gain is 21.8 p.c. Over Figures for May, 1932

For the first time since October, 1929, bank debits in Canada have shown an increase over the figures for the corresponding month of the previous year, and May debits are higher than in any month since November, 1931. Bank debits in May are reported at $2,649,625,031 which is an increase of 21.8 per cent over debits in May, 1932, and an increase of 41.2 per cent over debits in April, 1933. After seasonal adjustment the gain is 25 per cent over April. In so far as debits measure the pulse of Canadian business, the May figures give every evidence of actual improvement although activity in grain and stock markets undoubtedly tend to exaggerate the improvement shown by industry.

All Areas Show Improvement

Gains were marked in each of the five economic areas for which figures are compiled. Even after adjustment for seasonal tendencies debits in the three clearing house centres in the Maritime provinces were 29.6 per cent ahead of April figures. Quebec showed a gain of 21.4 per cent; Ontario a gain of 26 per cent; the Prairie provinces a gain of 32.2 per cent and British Columbia a gain of 22.1 per cent. Only in the Maritimes, where a decline of 5.7 per cent was shown, did May, 1933, debits fall below debits of May, 1932. Compared with May, 1932, figures Quebec had a gain of 6.3 per cent; Ontario a gain of 20.7 per cent; the Prairie provinces a gain of 65.2 per cent and British Columbia a negligible gain of 0.7 per cent.

The figures for each of the economic areas are as follows:

BANK DEBITS BY ECONOMIC AREAS
(000's omitted)

	May, 1933 $	April, 1933 $	May, 1932 $
Maritimes	46,360	33,568	49,201
Quebec	718,750	520,182	676,249
Ontario	1,167,524	820,553	966,949
Prairie Prov.	591,181	397,259	357,915
B. C.	125,811	105,191	124,869
	2,649,625	1,876,753	2,175,184

Out of 32 clearing house centres nine showed improvement over the May, 1932, figures while only three, Chatham and Fort William, Ont., and Victoria, B.C., had lower figures in May than in April of this year. The most notable improvements on previous figures were made in Toronto where debits in May were $924,698,670 as compared with $631,924,311 in April and $650,793,022 in May, 1932, and in Winnipeg where May, 1933, debits were $445,905,598 as against $279,772,118 in April and $221,400,788 in May, 1932. Halifax, Montreal, Sudbury, Calgary, Medicine Hat, Regina and Vancouver all registered gains during May over the preceding month and the same month in 1932.

Despite the low volume of debits reported in the early months of 1933, May figures bring the total for the first five months of 1933 to $10,212,854,401 which is only 1.2 per cent under the total for the first five months in 1932. In comparing the first five months of 1933 with the same period of 1932, the Prairie provinces show the greatest improvement with a gain of 14.7 per cent. Winnipeg totals show a gain of 32.5 per cent. Ontario, as a whole, is 1.1 per cent under 1932 figures but Toronto has a gain of 9.8 per cent. Quebec is down by 6.7 per cent; the Maritimes are down 15.8 per cent and British Columbia shows a drop of 13.6 per cent.

Ratio Shows Gain

The ratio of bank debits in May to bank deposits was 140.7 per cent as compared with 115.2 per cent in May, 1932. This acceleration of turnover of bank deposits reflects an increased activity in business. In the past year this ratio has never exceeded 132.3 per cent recorded last November and during the current year the highest ratio was in January at 106.8 per cent.

Other indicators beside bank debits showed substantial improvement during May. The Dominion Bureau of Statistics index of common stock prices moved up to 63.7 as compared with 51.9 in April; and the index of the number of shares traded on the Montreal Stock Exchange moved up to 192.4 as compared with 86.5. The index of the physical volume of business went up to 76.4 from 69.8 and the index of employment in manufacturing was up to 77.6 from 76.2 after adjustment for seasonal tendencies.

Bank Debits to Individual Accounts at the Clearing House Centres of Canada, May, 1933 and May, 1932

Clearing House Centres:	May, 1933 $	May, 1932 $
Maritimes—		
Halifax	27,469,654	26,268,205
Moncton	5,946,483	5,992,830
Saint John	12,943,412	16,940,146
Quebec—		
Montreal	668,949,885	612,005,977
Quebec	44,466,828	58,208,850
Sherbrooke	5,332,872	6,033,974
Ontario—		
Brantford	6,750,956	6,934,374
Chatham	5,293,530	5,985,812
Fort William	3,660,392	4,597,338
Hamilton	39,767,755	48,132,980
Kingston	4,628,261	4,832,854
Kitchener	7,555,532	7,912,735
London	26,006,175	28,037,214
Ottawa	117,962,843	174,556,712
Peterborough	3,951,850	4,364,611
Sarnia	7,389,403	8,496,347
Sudbury	3,568,592	3,435,353
Toronto	924,698,670	650,793,022
Windsor	16,290,307	18,869,984
Prairies—		
Brandon	2,370,868	3,025,401
Calgary	49,685,044	41,964,828
Edmonton	30,242,603	31,188,060
Lethbridge	2,712,946	2,886,913
Medicine Hat	1,580,454	1,534,520
Moose Jaw	4,192,442	5,037,649
Prince Albert	1,438,377	1,775,401
Regina	44,657,831	39,329,184
Saskatoon	8,394,501	9,772,384
Winnipeg	445,905,598	221,400,788
British Columbia—		
N. W'minster	4,177,119	4,440,512
Vancouver	102,600,331	97,946,152
Victoria	19,033,517	22,482,777
Total for Canada	2,649,625,031	2,175,183,890

What Editors Say of Banks

Choosing the Banking Commission

Border Cities Star: The expectation is that the Royal Commission on Banking will consist of three men, two from outside and one from Canada. Lord MacMillan, of Great Britain, author of the well-known MacMillan report on British finances, is mentioned as a possible chairman of the Canadian investigating body. Reports say that an American will be the second member.

Why, we wonder, is it not possible to find three good men in Canada to do this work—if it must be done? But, someone replies, it is desirable to have outside views. But is it? Is Great Britain in the habit of inviting Canadians to sit on her Royal Commissions investigating this or that? How often are Canadians asked by the Government of the United States to become members of Government Commissions investigating the American banking system, the American transportation problem or any one of a dozen and one other subjects that are looked into from time to time? Not very often. In fact we can't recall a single instance in which this has happened, with the possible exception of Mr. Mackenzie King's appointment as some sort of special official for the Rockefeller Foundation . . .

Canada is old enough and big enough and strong enough to stand on her own feet. Canadians can solve their own railway, banking and other problems just as Canadian courts can render all the decisions necessary. Let us stop leaning on other people; they do not find it necessary to lean on us. If we must have that Royal Commission on Banking, let it consist of one man chosen by the Canadian Bankers' Association, one leading business man who is not connected with any bank, one representative of agriculture, and one spokesman for Labor.

Banks And Their Patrons

The Tribune, Sackville, N.B.—"The relation of the bank to its patrons is a live question these days and is becoming increasingly difficult the longer the so-called depression continues. The bank has, among others, two classes of customers, viz.:—

1. Those to whom money has been loaned.

2. Those who are applicants for loans.

"In the case of number 1, the bank's problem is to get the customer to repay the loan. With business bad and profits shot to pieces, both the bank and the customer are up against it. The customer would like to pay if he could. He has plenty of assets but to realize money for them is almost impossible. Naturally the customer does not want to sacrifice his property so the bank is constrained to take mortgages, bills of sale, etc. If the bank gets excited and forces the customer into liquidation, then the bank is in the game of making, selling, or handling goods of one kind or another. If conditions continue to grow worse, the tendency will be toward more liquidation and before long the banks will have their corporate fingers on almost everything one can think of. The problem then will be 'What will the banks do with the acquired property?'

"I have seen excellent bankers of varying types, but I have not yet seen one who knew how to run the business of their customers. It would seem unwise, therefore, for banks to embark too recklessly upon the uncertain sea of industrial, mercantile and agricultural pursuits. If these financial institutions take drastic action at this time the result will be a calamity for them as well as for their patrons. It looks to me that some bankers are becoming panicky at a time when clear thinking and calm action are urgently needed.

"When it comes to number 2, the banks naturally have the right to say whether they will loan money or not, but it must be remembered that cash and credit are no good unless they are used. Money in a bank is like goods in a store. The bank wants to loan it at a profit; the customer wants to hire it to make money for himself. The customer needs the bank and the bank needs the customer. Any 'high hat' attitude on the part of the bank is abundant evidence that the manager is too small for his job. If a customer can offer good security, is personally O. K., and needs the money for his own legitimate business, then his request should receive the careful consideration of the bank.

"This is a time for cool heads and stout hearts; it is no time for enforced liquidation and for insane attempts to collect loans, at present impossible of collection."

Reduced Interest Rates

The Nor'-West Farmer — The announcement that interest rates on savings bank and trust company deposits and Government and municipal bonds will be welcomed as a forerunner of lower interest rates on farm mortgages, commercial loans, and a reduction in the carrying charges of the public debt. A recent announcement by the bankers' association suggests that interest rates on private and commercial loans must, as before, be decided on individual merit. Individuals with money to loan, however, will be more inclined to look for some investment that yields more than 2½ per cent.

It is interesting to note that the reduction from 3 per cent to 2½ on savings bank deposits means a reduction of 16 2/3 per cent in the interest income of the depositor, while a reduction from 8 per cent to 7 per cent in a farm mortgage means only a 12½ per cent cut in the annual interest payments, and a reduction from 7 to 6 per cent cuts the annual interest payments by a shade over 14¼ per cent. The savings depositor in either banks or trust companies has no option; he must accept the stated reduction or invest his money elsewhere. In the case of Government and municipal bonds the actual return to the investor is somewhat subject to market conditions, while other classes of loans and borrowings have their rates of interest determined by the lender, as a rule. However, it will be a great disappointment to borrowers generally if there is not a reduction in interest rates on all farm and commercial loans. If a loan was considered a good risk at eight or seven per cent formerly it is now a better risk at seven or six per cent respectively because the money so loaned is costing the banks and trust companies relatively less than before. Further, if farm and commercial loans are not made cheaper by the lower bank interest, then the depositors will be penalized and only the bankers will benefit, with the exception that lower rates on Government bonds will, theoretically, reduce the taxpayers' burden, but actually, judging by recent performances, it will likely release funds for governments to expend in some other way. Interest rates on farm and commercial loans from now on, as compared with savings bank rates, will indicate pretty clearly how anxious banks and financiers are to give farming and industry a leg-up and how anxious governments are to reduce taxes.

New Books

SERVICE CHARGE WOULD FINANCE SOCIALIST BANK

Socialization of Banks in Great Britain Outlined in Book

Working on the premise that capitalism has at present obviously broken down, that some form of socialism is the only feasible alternative and that the Socialist party in Great Britain should have a definite policy with regard to banking Oscar Sachse offers this necessary plank in the party platform in his book "Socialism of Banking," currently published by The MacMillan Company of Canada. The writer, an architect by profession, is obviously intrigued by a financial structure that has no sound counterpart in his chosen field and his attempt is to make the structure back on a sound footing.

In the course of 137 pages he carries his observations through to the final conclusions that the Bank of England and the joint stock banks should be nationalized and amalgamated to form the Bank of Great Britain. He holds that the British Monetary unit must remain "the pound sterling" although "it no longer consists of a pound in weight of sterling silver or of any special weight in gold."

Existing credits in the banks must be acknowledged to be equivalent to money, but henceforth no private person should be able to create new credit. Metal coins should no longer be legal tender except for sums up to one shilling, but they might still be bought and used by people who desired to have them. Bank notes should be valid for limited periods and subject to small fees for their use or renewal. Credit at the Bank of Great Britain should be legal tender and the total volume of British "money" should be the sum of credits in the bank and its branches plus circulating bank notes. Everything should be done to simplify the transfer of credit from one account to another in the bank by means of various kinds of cheques.

A controller of credit should be appointed whose sole duty it would be to regulate the volume of credit and to use his influence over its speed of circulation in such a way as to avoid both inflation and deflation. All new credit which could be created without causing inflation would go to the treasury.

Would Charge No Interest

The proposals include the appointment of a National Investment Board to exercise control over all new public issues on the capital market which was part of the report on the policy of the Labor party made in 1932. The bank itself would not grant loans but the treasury could grant loans, free of interest, out of its credit at the bank for purposes advocated by the National Investment Board. No form of borrowing would be encouraged but individuals could obtain loans, directly or through the mediation of agents, only from others who had surplus credits at the bank. The bank should neither give or demand pure interest, but should cover its expenses by means of the sale of cheque-books, by fees for all special services and perhaps by means of a small percentage commission on all deposits.

The "Socialisation of Banking" retails at $1 in Canada.

Other People's Views

An Intolerable Situation

Printer & Publisher—Used printing machinery imported from the United States is now subject to appraisal for duty purposes based on the present value of similar new machinery, less allowance for depreciation in the condition as imported. The allowance for depreciation, says an official of the customs department, depends upon the usual life of such machinery, the number of years in use and the condition as imported.

This means that no used machinery can be valued before importation, resulting in a hardship of a very definite nature on the importer. When he buys a press he is not in a position to know, even approximately, what he will have to pay for it. The fair market value of the equipment either in Canada or the United States will not be accepted by the customs department. The customs department appraiser must examine it and establish the value and then arrive at the amount of duty to be paid, which runs into a considerable figure in the case of a large press, as more than one instance on record has proved.

In the case of a press or other large machine, a peculiar situation also arises. Such equipment passes through the customs in parts. In this condition customs officials will not examine it for appraisal purposes. It must be assembled on the importer's floor, set up, and it is only at this stage that the importer is in a position to know what the machine is going to cost.

Naturally, when a printer sets out to buy a machine he wants to know its price and if he cannot determine the figure, approximately at least, he will forego the purchase, or buy a new machine. Many printers, however, are not in a position to buy new equipment. Should they be penalized?

As a matter of fact the customs department have made the importation of used printing equipment as difficult as possible at the request of a comparatively limited number of firms in the printing industry bent upon serving their own interests.

Who is served? Certainly not the majority of printers.

True, there was some reason to fear importation of used machinery sold at distress prices. Any such tendency, however, could have been checked by invoking the power of the dumping act. If it failed it would then be time enough to consider more drastic means to control the situation. As it now stands, printers are severely inconvenienced in making legitimate purchases.

Do Canadian Rinks Cost Far Too Much?

Canadian Architect Claims Proper Insulation Would Permit Ice Formation on Simpler and Less Costly Basis

By JAMES GOVAN. M.R.A.I.C.

The belt of latitude in which the major portion of Canadian building activity has developed and will continue to develop, provides serious problems due to the wide fluctuations in outdoor temperature experienced throughout the year.

Not only do these fluctuations affect our standards of human comfort, but, what is just as serious, they exert a very decided influence on the scientific principles of building construction and consequently on social economics.

Fortunately, however, Canada enjoys a remarkably satisfactory average outdoor temperature over most of its populated areas, during the winter months as well as in summer. Do we take sufficient advantage of these temperate seasonal averages in our construction methods? The answer to that question is emphatically no!

How many people realize, for instance, that the average temperature at Toronto for the whole seven months heating season is about 32 deg. Fahr. and that over a huge portion of our occupied territory it is not much under freezing point?

For the balance of the year (5 months) Toronto's average temperature is 61.5 deg. Fahr.

If many do realize the significance of these figures, there is little or no evidence of the fact in the types of construction used in most of the buildings erected by the past generation.

The bearing of these on house construction has already been set forth in a previous article in "The Financial Post." It was shown there that proper attention to insulation would reduce cost for heating by 50 per cent.

In a very timely article "Leisure Seen as Building Stimulus" in the May issue of the American Architectural Record, Wm. Orr Ludlow, chairman, Committee on Industrial Relations, American Institute of Architects, refers to the rapidly increasing movement of residential areas away from the large cities and to the coming demand for "buildings of many sorts for indoor recreation and amusement." He continues: "Theatres and movie houses will flourish, great gymnasiums for football, baseball, tennis, skating and the like will be built to make outdoor sports possible indoors for winter and at night . . . but architects, engineers city planners landscape architects, builders, park boards, and public officials will do well to think a little in advance of the inevitable trend of affairs. They should prepare for great building activity, taking account of our rapidly changing conditions and probable mode of living, so that whatever is done shall not be done in the costly, haphazard fashion of former days, but shall be planned for the greatest economic use, and the most adequate future development."

Building for Winter Sport

When we come to deal with community buildings for sport, we don't have to wait for a future demand for facilities for winter enjoyment. The demand already exists in the case of hockey and curling clubs all over the country.

No where else in the world are natural conditions more favorable for playing these games under ideal surroundings and in perfect comfort for both players and spectators. Notwithstanding this fact, what do we read in our papers and hear at club meetings from the Atlantic to the Pacific?—records of financial embarrassment and, under our present methods of constructing rinks, failure to provide continuous playing facilities for a four-month period beginning December first to the end of March, and this in a country where the mean temperature outdoors for the whole playing season is everywhere well below freezing point except in parts of British Columbia.

Apparently most officials of curling and hockey clubs are not aware that it is the monthly mean (or average) temperatures outdoors and not the rapidly fluctuating day by day temperatures that should govern them in the selection of the type and size of mechanical plant necessary to keep their rinks at satisfactory indoor temperatures for playing purposes, provided their rinks are so built or remodelled to take advantage of our perfectly satisfactory average outdoor temperatures.

There is some excuse for the average layman not understanding the technical data on which such studies of rinks should be based, but that engineers and architects should fail to give sensible advice on these points indicates that in this matter, as in so many other phases of their work, they are the more concerned about what is done by others than in studying our natural climatic conditions in Canada and designing buildings and plants to meet these conditions.

Can Retain Low Temperatures

Just as buildings with special construction have been built with heating plants reduced by seventy per cent from what would be considered necessary for the same buildings with ordinary construction, and these special buildings are not affected by the intermittent low temperature dips outdoors, so, existing or new buildings to be kept steadily at low temperatures in winter can be treated to maintain satisfactory conditions, unaffected by outdoor rises in temperature, with much simpler and less costly plants than have been found necessary in the types of rinks ordinarily used.

This statement is based on years of intensive study of the behaviour of buildings of different types of construction, coupled with the preparation of charts of outdoor temperatures comparing our recent warmer years' records with normal years for locations all over Canada.

The reason why the old-fashioned rinks do not provide good playing conditions continuously throughout the winter season is because they are no more suited to resist the flow of heat through their roofs, walls and windows and upward from the earth than was the galvanized iron food box which used to be sold as a refrigerator. Coupled with these bad construction features, which are not much more efficient for their purpose than an umbrella would be, the only method of forming and maintaining ice employed is to depend on a natural flow of air from outdoors into the rink when the temperature outside is below freezing point. Except at temperatures very considerably below freezing point, there is not sufficient temperature difference between the inside and outside of the rink to induce air to flow. Unless there is wind pressure from a suitable direction or some other method of mechanical propulsion of the air, or until the outdoor temperature drops well below freezing, it is utterly ridiculous to expect to maintain satisfactory playing conditions over a large ice surface.

Confronted with this situation, many clubs have assumed that the only possible solution is to install large artificial ice plants. This method guarantees ice earlier in the season and provides continuous playing facilities, but it does so at a capital and maintenance cost out of all reason for the benefits derived.

Not only is the cost excessive, but in the case of curling clubs the ice surface playing conditions obtained are by no means as satisfactory as they should be, with the result that visitors to artificial ice rinks who are used to natural ice conditions have begun to realize that these untrue ice surfaces are not nearly as good as those on which they are accustomed to play.

Working Against Heat

The main cause of the excessively high capital and maintenance costs of artificial ice plants in rinks of ordinary construction is that about one half of the refrigeration output of the plants in mild weather is required to take care of the heat input into the building. This heat inflow can be prevented at less capital cost by increasing the resistance to heat flow and increasing the heat capacity of the structure in both old and new buildings, and, having removed the need for a considerable part of the artificial ice plant, the unreasonably high running and maintenance costs can be proportionately reduced.

The results that have been obtained in specially treated structures where the indoor temperatures have been automatically recorded on charts over a period of several years prove that in many parts of Canada curling rinks could be successfully operated for the whole playing season without any artificial ice plants whatever.

In hockey rinks the heat produced by a crowd of spectators creates a problem not encountered in curling rinks, but, except in a very few large metropolitan arenas, where removal and replacement of the ice at frequent intervals to suit the use to which the building is being put requires the installation of large refrigerating plants, even hockey rinks can be altered or built to provide the required playing conditions with much smaller plants than have been hitherto considered necessary, and these results can be obtained in most cases at a lower capital cost, plus decidedly lower annual charges for operation and maintenance.

What this means to the average small hockey club can be seen by studying the expenditure and income of those clubs that have installed ice plants in the usual way and noting the number that are practically bankrupt or are making frantic efforts of various kinds to keep in the running.

Would Aid Curling Clubs

Curling clubs with ice plants are also finding it difficult to meet their capital and maintenance obligations, and those that depend on natural ice are losing members annually because of the unsatisfactory playing conditions experienced at the early and late parts of the season and the frequent interruptions to play even after ice has been formed.

All of these difficulties can be overcome and thousands of players and spectators of both games can be added to the number now affiliated or interested in existing clubs without such an extravagant expense that the games cannot support it, but the solution does not lies in ignoring the natural climatic advantages Canada offers, but in making use of them in such a way that the greatest good will result to the greatest number and not to the favored few with ample financial means to enjoy themselves regardless of cost.

As for accommodation for badminton, basket ball, indoor tennis, roller skating, baseball, lacrosse, football and other outdoor games with many devotees who find the outdoor season all too short, inexpensive fireproof frame sheds can be built that would maintain a good comfortable playing temperature indoors with a very small expenditure for heating plant and fuel. As a matter of fact buildings of such a type without any heating plant of any kind have been erected that have not dropped below 30 degrees Fahr. indoors in several winters even when the outdoor temperature has been down to about 20 degrees below zero.

This type of building has equal advantages for those clubs who find their indoor temperatures too hot for playing comfort in the spring, summer and fall months. Artificial cooling of such buildings is totally unnecessary when the structure is designed to keep out sun heat.

Can Use Averages

Since these developments have been demonstrated to be quite practical, why should our engineers continue to provide such buildings with heating plants 100 per cent larger than necessary, why does our lumber industry not do more to stimulate public interest in fireproof or, to be more technically accurate, fire-safe lumber construction, and why continue to use windows that lose about one and one third units of heat for each square foot, for each degree difference in temperature between indoors and outdoors when windows can be made that would only lose a little over one quarter of a unit of heat under the same conditions?

For similar reasons, why should we be fussing in Canada about artificial cooling plants for maintaining comfortable temperatures, when nature has provided us with average monthly conditions that are not bettered for human activity anywhere on earth? All we have to do is to build to take advantage of these absolutely satisfactory climatic averages.

If, and when, our governmental authorities see fit to encourage these and other community enterprises that could be made self-supporting, and in some cases revenue-producing, we hope that we shall see embodied in the development principles based on Canadian needs and not on foreign idiosyncrasies!

ROBT. MITCHELL CURRENT SALES MOVE FORWARD

Main Divisions Report Better Demand for Their Products

From Our Own Correspondent

MONTREAL — Robert Mitchell Co. reports definite signs of improvement in business as reflected in the company's sales for May last.

The foundry at St. Laurent reports the first monthly increase in production for over two years. This increase amounts to 50 per cent compared with the previous months of this year.

The Garth Co., a subsidiary specializing in large plumbing contracts and the sale of plumbing, pipes and fittings, has recently secured several satisfactory contracts, business booked recently being in excess of $150,000.

Merchandise Sales Up

The merchandising division, which was formed by the company last year for the manufacture and sale of electrical household appliances, is experiencing better business. May sales of electric washers and ironers show an increase of over 100 per cent compared with the previous months this year. The outlook for this department is considered encouraging, especially if retail business continues to maintain its present rate of improvement.

Last year was not a particularly good one for Robert Mitchell Co., income account showing an operating loss of $250,765. After setting up a special reserve but no depreciation reserve, the income account for 1932 showed a deficit of $296,099 which resulted in reducing the profit and loss surplus to $318,940.

In the previous year, earnings on the common stock were equivalent to 87 cents a share compared with dividend payments of $1. No dividends were paid in 1932 or to date this year.

WHALING CONCERN DEFERS DIVIDEND ON SENIOR STOCK

Anglo-Norwegian Holdings Conserve Resources for Time Being

From Our Own Correspondent

MONTREAL. — Directors of Anglo-Norwegian Holdings Ltd. have decided to defer the half-yearly dividend on the per cent cumulative preferred stock of which $1,480,000 is outstanding. This action was decided upon in view of the fact that arrangements covering the forthcoming whaling season are still under discussion within the whaling industry, and also to the obscure position in the central European market and the continuance of the unfavorable exchange factor.

By adopting this course, the directors hope to conserve the company's resources until prospects for the next whaling season can be more accurately gauged, when a further announcement will be made.

Operations Are Curtailed

Anglo-Norwegian Holdings was incorporated in Quebec in 1929 to acquire subsidiary interest in the Antartic Whaling industry. Over-production of whale oil throughout the world has necessitated drastic curtailment of all operations. A quota of production was agreed upon by the chief companies concerned in the industry. In 1931-32 the whaling fleets in which the company was interested were laid up; during the current season operations were resumed on a modified scale. and the company acquired a new factory ship, through ownership of shares in the Star Whaling Co., which is dealing with the entire quota allotted to the company.

During the year ended December 31, 1932, the company had net earnings of $15,564 available for the preferred dividend, which amounted to $103,600.

ROYAL BANK OF SCOTLAND
(Incorporated by Royal Charter, 1727)
Capital (fully paid) £ 3,780,192
Reserve Fund £ 3,780,926
Deposits £55,898,683
General Manager
Sir Alexander K. Wright, K.B.E., D.L., LL.D.
TRADE WITH GREAT BRITAIN
The ramifications of the Bank throughout Great Britain and the entire World enable it to handle every description of British, Colonial and Foreign Banking business.
LONDON—City Office: 3 Bishopsgate, E. C. 2
Head Office: EDINBURGH
250 BRANCHES IN ALL
Associated Bank: Williams Deacon's Bank Ltd. (Members of the London Bankers' Clearing House)

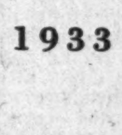
AN INVESTMENT returning you $100.00 for investing $78.12 for 5 years

Canada Permanent accumulative bonds with interest at 5% per annum compounded half-yearly offer an attractive opportunity for the safe and remunerative investment of sums large or small.

CANADA PERMANENT Mortgage Corporation
320 Bay Street, Toronto
Assets exceed $70,000,000

Manufacturers of INDUSTRIAL and HOUSEHOLD Cottons in Canada for over TWENTY-FIVE YEARS
DOMINION TEXTILE Company Limited
MONTREAL
TORONTO
WINNIPEG
VANCOUVER

AN ALL-CANADIAN INSTITUTION

1866  1933

One of the first of this Company's many productions for the Dominion of Canada was an issue of Convertible Stock, engraved in 1868.

OLDER THAN CONFEDERATION

IN 1866 this Company was organized for the one specific purpose which it still fulfils — that of providing Governments, banks, business concerns and municipalities with quality engraving for all forms of monetary documents.

British American Bank Note Company Limited

1112 Bank of Hamilton Bldg. TORONTO | HEAD OFFICE OTTAWA | 511 Place d'Armes MONTREAL

Insurance for Buyer and Seller

CREDIT INSURANCE COURT DECISION FAVORS ASSURED

No Written Credit Rating Required — Telephoned Report Admitted

By obtaining the latest credit rating of a subsequently bankrupt firm by telephone and complying with the terms of a credit insurance policy with regard to the amount of credit to be extended to firms have the rating as received, Bazaar Bros., Montreal, was held to have complied with the terms of a credit policy issued by the National Surety Co., according to a court decision recently handed down in Montreal by Mr. Justice Lane.

A clause in the policy reads that "no loss is covered by this policy unless the debtor to whom the goods were shipped shall have, in the latest published book of R. G. Dun & Co., mercantile agency, at the date of the shipment, a capital rating and its accompanying credit, as tabulated below."

It was pointed out, however, that, in the most recently published book of the R. G. Dun & Co., prior to the extension of the credit, there was no rating for the debtor and that Bazaar Bros. acted in good faith in applying for a rating by telephone prior to completing the transaction.

Loss of $1,872

The plaintiff company had advanced credit to the North American Import Co., and when the latter became insolvent, incurred a loss of $1,872, for which it lodged a claim under its policy with the defendant.

The defendant raised the question whether, before advancing the credit, the plaintiff company had secured the latest written report of R. G. Dun and Co., and the issue then became one of determining whether or not a written report was required.

In the printed book of the mercantile agency, issued to its subscribers on September 1, 1930, the name of the North American Import Company appeared without any rating. It was shown, however, that this issue went into the hands of the printers on July 15 of that year, it being the custom of the agency to give the material to the printers six weeks before the appearance of the book but to continue collecting information so that it can keep its subscribers posted on current company ratings.

On August 18, 1930, two weeks before its book appeared, it had compiled information which led it to give the North American Import Co. an F-3 rating which, under the terms of the insurance policy, allowed the Bazaar company to advance credit up to $2,000.

Rate By Telephone

When the representative of the North American Import Company wished to buy from Bazaar Bros., the latter secured the new rating by telephone from R. G. Dun and Company.

Mr. Justice Lane declared that he could find nothing in the insurance policy to indicate that the rating report must be received in writing. The rating being what it was, the court could find no prejudice to the defendant, but rather an attempt on its part to escape liability.

"It is always insisted upon," His Lordship commented, "that insurance is a matter requiring the utmost good faith on the part of insurer and insured alike. No bad faith is pleaded or suggested on the part of the insured."

PROTECTION
THE ONTARIO EQUITABLE
LIFE AND ACCIDENT INSURANCE COMPANY
HEAD OFFICE WATERLOO ONTARIO
The satisfaction policyholders have in their contracts with this Company offers the basis of opportunity for its representatives. Assets exceed $8,200,000.

Ordinary Life Insurance*

	1938	1929	1930	1931	1932	1933
January	$47,569,000	$49,739,000	$45,074,000	$41,188,000	$37,331,000	$29,367,000
February	39,962,000	47,140,000	43,925,000	40,180,000	38,145,000	26,323,000
March	44,823,000	48,066,000	49,047,000	46,945,000	37,467,000	29,763,000
April	46,718,000	51,842,000	51,649,000	45,648,000	33,629,000	29,770,000
May	49,531,000	50,547,000	48,871,000	41,314,000	30,998,000	30,497,000
June	51,884,000	58,402,000	54,168,000	46,227,000	40,963,000	....
July	49,492,000	54,809,000	46,505,000	39,977,000	34,469,000	....
August	43,503,000	41,329,000	36,240,000	35,738,000	28,370,000	....
Sept.	38,872,000	43,013,000	38,994,000	30,066,000	25,207,000	....
October	55,743,000	50,894,000	44,827,000	36,006,000	29,858,000	....
Nov.	54,865,000	55,624,000	46,186,000	38,860,000	34,003,000	....
Dec.	56,647,000	54,189,000	49,026,000	47,163,000	33,483,000	....

Total, 1st 5 months, 1933	$145,720,000
Total, 1st 5 months, 1932	177,570,000
Decrease, 1933 to date, 18%	$ 31,850,000
Decrease, May, 1933, from May, 1932, 1.6%	501,000

*Companies having in force 84 per cent of total outstanding business in Canada. New paid for, ordinary business only. Figures include both Canada and Newfoundland and are prepared by Life Insurance Sales Research Bureau, Hartford, Connecticut.

May Life Insurance Sales Show Good Improvement

Best comparative showing of the year to date is shown by life insurance companies in Canada and Newfoundland, according to monthly sales figures for May, compiled by the Sales Research Bureau of Hartford.

The record covers 14 companies, with 83 per cent of total business in force and shows total May sales of ordinary business (paid-for) at $30,497,000. This is the largest monthly total for 1932 to date and is within 1.6 per cent of the corresponding figure of May, 1932. This is the smallest monthly decrease since August, 1931.

In Alberta, Nova Scotia, Quebec, and Newfoundland, business showed a gain. Alberta sales were 3 per cent better than those of May, 1932; Nova Scotia, 10 per cent; Quebec, 9 per cent; and Newfoundland, 29 per cent.

In Quebec city, business was 19 per cent better than in the same month last year; in Ottawa, 4 per cent; Montreal, 8 per cent; and Vancouver, 25 per cent.

Once again Canada made a better comparative showing than the United States, the corresponding figures for ordinary business in that country showing a decline of 11 per cent from May sales in 1932. However, in the United States May, 1933, also showed improvement, recording the smallest decrease for any month this year as compared with the corresponding month in the previous year.

Sales by provinces, with corresponding figures for 1932, follow:

May Ordinary Life Insurance Sales

	1933 $	1932 $
Alberta	1,445,000	1,407,000
British Columbia	1,958,000	1,978,000
Manitoba	1,581,000	1,737,000
New Brunswick	715,000	836,000
Nova Scotia	1,076,000	982,000
Ontario	12,733,000	13,660,000
Prince Edward Island	83,000	121,000
Quebec	9,610,000	8,913,000
Saskatchewan	1,014,000	1,145,000
Newfoundland	282,000	219,000
	30,497,000	30,998,000

Fire Losses Drop 45 p.c. In Ontario

Ontario's fire loss dropped 45 per cent in May, as compared with the same month in 1932, according to figures relased this week by the Ontario Fire Marshal. Total loss for the month was but $613,000 against $1,113,000. There were no large fires.

For the first five months of the year losses in the province are 23 per cent less than at the same time a year ago. The cumulative figure for 1933 is $4,363,000 against $5,690,000 last year. The number of fires is almost exactly the same at 7,067, a decline of only two from the 1932 total.

Insurance losses for the year to-date are but two-thirds of last year at $3,875,000 against $5,000,000 in 1932. The May loss covered by insurance was $523,000, as compared with $967,0000 in the same month of 1932.

A continued feature of the losses is the increasing number of small dwelling fires. Though losses from dwelling fires in the first five months of the year were down nearly $420,000 the number of dwelling fires increased by 116.

Analysis of losses by four leading classes of risk in the first five months of the year is as follows:

	1933 No.	1933 Loss	1932 No.	1932 Loss
Barns	172	386,680	152	394,364
Dwellings	5,633	1,444,426	5,517	1,862,951
Stores	519	937,353	548	1,733,614
Factories	160	780,859	132	753,830

Big Grain Season

With six weeks still to run, the present grain shipping season at the Port of Vancouver bids fair to reach the hundred million mark. Grain shipped to June 15 amounted to 91,636,540 bushels, which compares with 75,305,170 bushels for the corresponding period of last year.

Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Manufacturers Life Annuity

What are the merits of the annuity scheme put out by the Manufacturers Life and what is the standing of that company?

One of their agents recommends that I put up $17,000 in cash and receive $100 a month for the rest of my life or for 15 years in the event of my death within that period to my beneficiaries. I am single, 52 years of age and have a diversified list of investments.

Would this be a wise thing for me to do? I understand the annuity type of investment is a comparatively new departure and I am not conversant with it.

There is nothing new about an annuity such as you discuss in your enquiry. Annuities have been popular among certain types of investors for a great number of years, particularly in England, but it has only been recently that life companies in Canada have stressed this type of investment in their domestic selling.

There is no question that the annuity plans offered by leading insurance companies in Canada are an excellent type of investment combining security, freedom from worry, and so forth.

What you must realize though is that in purchasing an annuity you are in effect using your capital to provide yourself with the assurance that you will get the maximum possible use out of your savings, during your lifetime.

For a single man with no immediate dependents some form of annuity is usually a wise investment in that it is perhaps the only way to obtain with certainty the maximum possible use out of one's capital and savings.

The Manufacturers Life Assurance Co. is an excellent concern, one of the leading institutions of its kind in this country.

Insurance Inklings

C. W. G. BROWNING, Mutual Life of Canada, Edmonton, was re-elected president of the Mortgage Loans Association of Alberta at the annual meeting held in Edmonton recently.

FRANK S. JOHNSON, general manager for Canada, the General Casualty Insurance Co. of Canada, was recently elected president of the Insurance Institute of Montreal.

H. A. URQUHART, Excelsior Life, was re-elected president of the Life Managers' Club of London, at the annual meeting held in that city on June 15.

FREDERICK J. WALKER, assistant manager of the Royal Insurance Company, died in Montreal on June 17.

W. C. MAGEE, formerly manager of the Fort William branch of the Metropolitan Life Assurance Co. has been promoted to the managership of the Winnipeg office of that company.

Chemical Industry Makes Good Showing

It is evident from a study of the recently issued preliminary report on the production of chemicals and allied products in Canada in 1932 that the depression has practically no effect on the demand for toilet preparations. In 1928 the selling value of these preparations at the plants where they were made was $4,618,291. In 1931 the value of the output had risen to $5,946,292 and in 1932 it was $5,073,134.

The demand for medicinal and pharmaceutical preparations continues on the upgrade. In 1928 the combined value of these products made in Canada was $17,224,351 and in 1932 it was $18,145,573, the high mark of $19,038,894 being reached in the memorable year of 1929 when for several months prices of every commodity were at their highest point.

The chemical and allied products industry in Canada is a substantial one. Last year the aggregate production had a value of $95,540,340. It is divided into 14 groups and there are 628 factories, most of which are in the Provinces of Ontario and Quebec. The 14 groups are as follows: coal tar distillation; acids, alkalies and salts; compressed gases; paints, pigments and varnishes; soaps and washing compounds; medicinal and pharmaceutical preparations; toilet preparations; fertilizers; wood distillation; inks; adhesives; polishes and dressings; flavoring extracts, and miscellaneous chemical industries.

Savings Can be Made In Succession Duties

Exemptions Permitted Under Provincial Acts Should be Studied — Leaving Estate in Trust Will Avoid Payment of Two Duties on the Same Assets

Article Six of a Series on Wills and Estates

While Succession Duties are a tax on those who inherit property it is not unusual for provision to be made in a will instructing the executors to pay Succession Duties out of the estate. This does not mean that the incidence of the tax has changed but it does mean that to each bequest has been added the amount of the tax that each beneficiary would otherwise pay. Where all beneficiaries share equally under the will and are of the same degree of relationship to the deceased the deduction of the Succession Duties out of the estate does not alter the net amount that each beneficiary would eventually receive. If, however, after various bequests are made in the will a single beneficiary, or group of beneficiaries, shares in the residue, the amount receivable by these residual legatees is reduced by the amount of Succession Duties paid out of the estate. While each specific legacy is taxed, the will requires one particular beneficiary to pay all the Succession Duties that the other beneficiaries are required to pay.

In a large estate the amount of Succession Duties may be an important item. Under the present Ontario rates an estate of $180,000 left outright to the wife is taxed to the etxent of $17,622, which compares with a tax of $15,300 under the 1932 rates. On all gifts paid immediately after the death of the testator, duty is payable within six months from date of death and 6 per cent interest is charged on the amount due if it is not paid within that period. Where life interests in an estate or annuities are involved, Succession Duties can be made in four equal annual installments, of which the first is due before the first payment on life interest or annuity is received. Where future interests in an estate are involved a choice is given of two alternatives; either payment of duty can be deferred until the beneficiary actually takes possession when the duty is paid on the then actual value of property received or the value of future interests may be discounted and duty paid immediately on the discounted value.

Liquid Assets Essential

If Succession Duties are to be included in the expenses of the estate it is particularly desirable that there should be a sufficient proportion of strictly liquid assets in the estate to take care of all contingencies. It will be remembered that, for Succession Duty purposes, property is valued at its fair market value at the death of its owner. Back in 1929, an estate valued at $200,000 passing, in its entirety, to a near relative would have been the basis of Succession Duties amounting to $18,000. If half of the estate was in real estate the tax would form a substantial proportion of readily liquid assets and rapid depreciation in market values of stocks could very well have taken place before the estate was distributed. In order to pay Succession Duties it might have been necessary to sell securities at apparently abnormally low prices. Where Succession Duties are paid out of the estate and the value of the estate has declined, a residuary legatee might be affected to such an extent that her interest in the estate would be practically wiped out after Succession Duties had been paid.

It is well, therefore, to consider how Succession Duties will affect the estate when a will is drawn just as it is essential to provide as far as possible for a sufficient proportion of liquid assets in the estate. Life insurance and high grade government bonds are the best investments to assure liquidity. The value of the life insurance policy is definite and high grade bonds fluctuate in price within comparatively narrow limits. Preferred and common stocks listed on established stock exchanges are usually liquid to the extent that they can be readily sold but the experience of the past three years has shown the wide price fluctuations to which the majority of such securities are subject.

Reducing Succession Duties

While it is to the interest of the State to collect all that is due in Succession Duties, the individual usually wishes to have his estate taxed to as small a degree as is possible. In order that this shall be, the individual must examine the various ways in which Succession Duty payments can be reduced, or preferably secure expert advice on the subject. Evasion of the law through non-disclosure of assets, misrepresentation of values and statements of false relationships does not commend itself to any honest person and the Succession Duty Departments of the several provinces maintain a close check on returns made to them and do not hesitate to prosecute if this is necessary.

Registered securities kept in negotiable form do not offer any better solution, since the taxing province may sooner or later find out about the transfer. Transfer agents and corporations are subject to severe penalties for the transfer of properties and securities without authorization from their province where Succession Duties may be involved. In most cases any transfer after death without a discharge from the proper Succession Duty department constitutes a legal defect in the title of the property until such claims have been satisfied. Life insurance companies are restrained from paying out more than $1,000 on the proceeds of a life insurance policy unless a release is obtained from the taxing authority and in Ontario usually not more than $500 can be drawn from a bank account.

Can Make Use of Exemptions

There are various ways by which a certain amount of Succession Duties can be avoided, however. There are certain items of property and certain circumstances of inheritance which the majority of the provinces exempt from tax. Exemptions under the Ontario Succession Duties Act were outlined in the last article in this series. Principal among these Ontario exemptions are gifts to the aggregate amount of $20,000 given at least three years prior to, or among, father, mother, child, son-in-law and daughter-in-law. All such gifts of this character given to husband or wife must be included in the property passing at death. Savings can be made in Succession Duties by giving ultimate beneficiaries all that the law allows.

Another item that is exempt is the proceeds of a life insurance policy taken out to pay Succession Duties. Where a large amount is payable in Succession Duties a considerable saving may be effected in some provinces by providing life insurance for this purpose. Until the current year such a saving could have been made under the Ontario schedule of Succession Duties but changes effective April 19, 1933, make this no longer true to the same extent. An example, based on the former Ontario rates, can be used to show the saving that might be made by paying Sucession Duties with proceeds of an insurance policy definitely ear-marked for this purpose.

Under the former Ontario schedule the rate on estates passing to near relatives was 3½ per cent on estates of from $75,00 to $100,000 and 5 per cent on estates from $100,000 to $150,000. The tax on an estate of $101,000 would have been $5,050 and the tax of a $99,000 estate only $3,465, since different rates were in effect on these estates of practically the same size. Provision for payment of Succession Duties from the proceeds of a life insurance policy might easily have reduced the $101,000 estate to one of $99,000 on which a lower rate was in effect.

Choice of Investments Important

Investment in certain provincial bonds that are free from Succession Duties might also reduce the taxable value of the estate sufficiently to bring a lower rate into effect. Saskatchewan and Alberta have issued all their bonds with this feature. Ontario and Quebec have comparatively few issues exempt from Succession Duties. Manitoba has some 15 bond issues that are exempt. Such securities not only add to the liquidity of the estate but can be used to reduce the amount of Succession Duties that would otherwise be paid if the money were invested in some non-exempt issue. It must be remembered, however, that the exemption only applies in the province issuing the bonds. Bonds exempt in Saskatchewan would be taxed in Ontario and vice versa.

Where large estates are involved the owner may see fit to take up residence in some place where Succession Duties are least onerous. Another method in estates of more than $250,000 is to incorporate a private company to hold all the securities in the estate. Since the assets are owned by the private company they do not pass in the event of the death of the owner. Only the shares of the holding company pass to the beneficiaries and if the holding company is incorporated in the province of domicile no government can have a just claim to levy a tax on such succession.

In smaller estates the investment in bonds exempt from Succession Duties in the province of residence and judicious selection of other securities may aid in solving the problem. Bearer bonds have a situs only in the place where they are found and are not therefore subject to double taxation. Where it may be found that a given security is taxable in jurisdictions other than the investor's place of residence it is often possible to exchange such security for another that has equal merit but is not subject to more than one tax.

One of the most important ways that savings can be effected in Succession Duties is in careful consideration of the disposal of the estate. An example of the savings possible is presented by the Toronto General Trusts Corp. in a brief booklet on "Succession Duties in Ontario." A man, with a wife and three children, dies, when his wife is 60 years old, and leaves an estate of $180,000. He wishes his wife to have the benefit of his estate while she lives and the children to receive the capital in equal shares when she dies. If all the property is bequeathed outright to the wife the Succession Duty, plus surtax, is $17,622. When the wife dies, leaving the estate equally divided among the three children, the Succession Duties will amount to $14,850. The total payment of taxes on the same estate passing under two wills is $32,472. This could have been reduced by $18,215 had the husband directed that his capital be held by a trustee to pay the yearly income to his wife during her life and to be divided after her death equally among the three children. If the will had included such a trust only one Succession Duty payment of $14,256 would have been due. The saving is made due to the fact that there was no duty payable at the widow's death and the surtax was smaller.

Note: The next article in this series will appear in The Financial Post at an early date. The entire series will be published later in booklet form.

HIGHER EXPORTS CODFISH, SEAL OIL IN CURRENT YEAR

Imports of Nearly All Merchandise Also Increase

With only a few exceptions exports of cod fish during the current fiscal year to the chief world markets are considerably greater than in 1932 while exports of cod oil, seal oil and seal skins are well ahead of the previous year. Exports of codfish during the first four months of 1933 amounted to 354,375 quintals, the largest total for this period since 1926 and compared with 232,574 quintals during the corresponding period of 1932.

During the period from January 1 to May 19, cod fish exports to 10 of 14 countries were greater than during the corresponding period of 1932, exports to Spain, Portugal, Brazil and Porto Rico showing the largest increases. Decreases were recorded in exports to United States, Greece, Cuba and Malta but the aggregate of these countries is comparatively small.

The successful seal hunt is responsible for 163,924 gallons of seal oil being exported during the four and a half months as compared with only 52,987 gallons in 1932 while 28,703 seal skins were exported compared with 3,083 in the same period a year ago.

Herring exports are down during the period as are salmon and cod liver oil but lobster exports are higher than in the same period a year ago.

Imports Higher

In the list of imports during the period from January 1 to May 19 there are a number of items which are in less volume than during the corresponding period of 1932 but generally imports are greater. Coal, potatoes, butter, tea, sugar and flour entered the country in greater volume which would seem to indicate some increase in purchasing power. On the other hand, imports of oats, pork, molasses and soap were in lesser volume.

Codfish Exports by Countries
(Jan. 1 to May 19)

	1933 Quintals	1932 Quintals
Brazil	114,478	81,056
Porto Rico	73,894	43,756
Portugal	52,308	21,497
Spain	43,386	29,541
Jamaica	31,087	27,246
B. W. I.	23,727	21,585
Italy	18,698	480
England	8,897	5,868
Martinique	4,276	2,304
Cuba	1,722	2,505
Canada	798	104
United States	347	386
Greece	320	6,500
Malta	30	50
	373,968	242,878

Exports of Other Fish Products
(Jan. 1 to May 19)

		1933	1932
Cod oil	gals.	219,114	183,470
Cod liver oil	gals.	3,815	4,065
Seal oil	gals.	163,924	52,987
Salmon	tces.	910	948
Herring	brls.	12,028	19,683
Lobster	cases	2,702	668
Seal skins	No.	28,703	3,083

General Imports
(Jan. 1 to May 19)

		1932	1933
Flour	brls.	50,420	50,587
Pork	brls.	5,691	5,543
Beef	brls.	11,361	12,738
Sugar	cwt.	46,605	49,104
Tea	lbs.	376,740	380,550
Molasses	puns.	4,807	3,075
Cheese	cwt.	326	600
Soap	boxes	8,355	7,701
Coal	tons	28,788	37,297
Salt	tons	14,450	7,250
Potatoes	brls.	17,681	34,309
Rolled Oats	brls.	1,623	635
Kero Oil	brls.	739	7,332
Butter	lbs.	2,186	4,654
Oats	bus.	93,795	74,178
Hay	tons	272	470
Cattle		389	282
Sheep		46	8

New Industries and Plant Extensions in Canada

Compiled Weekly By The Financial Post

Hall's (Canada) Limited, the Canadian subsidiary of the Hall Chemical Company of London, England, has been established in Montreal and has acquired property with its own wharf and railway siding on the Lachine canal. The company, which is now in production, has as its main product a patent rust preventative used by machinery makers for automobiles, steamships and locomotives. It is stated that contracts have already been signed in Canada with two paper mills and a large steel works. S. Gerald Soman, managing director of the English company is at present in Montreal and will remain until the company is firmly established.

A. P. Green Firebrick Co., of Mexico, Mo., will establish a plant in Toronto for the manufacture of its products, consisting of plastic, firebrick, high temperature mortar, cement and other materials. Approximately, 5,600 square feet of floor space has been leased and installation of necessary equipment will be undertaken immediately. J. W. Amis who has represented the United States Company in Canada for some time is president and treasurer of the Canadian subsidiary.

Albee & Deguise Shoe Co. was recently established in Montreal. The company will distribute its product, women's cement-process footwear, under the name of Savoy Shoes.

Steel Fabricating and Welding, Ltd., at present operating a business in Hamilton, Ont., will open a new plant in Dundas, Ont., in the near future. It is stated that 22 men will be employed.

SUN LIFE AWARDED LIBEL DAMAGES

Case Against London News Agents Decided in Its Favor

Damages to the amount of $14,000 were awarded Sun Life Assurance Co. in its action against W. H. Smith & Sons, news agents, London, Eng., in a decision of a special jury in the King's Bench division in that city. The case was based on the distribution of a periodical containing material found libellous.

The finding was of widespread importance as adding to the English libel laws the fact that a distributor who does not necessarily scrutinize the publication distributed it nevertheless liable if any such matter is found libellous.

The Sun Life took action against the firm, one of the largest news agencies in the world, because it distributed an issue of City Midweek, a London financial publication, which contained an article attacking the Sun Life, along with a poster referring to the article. The assurance company has already obtained judgment against the publishers.

Rotary Plow Will Develop Labrador Peat

On his return from the United Kingdom early in May, Sir Wilfred Grenfell brought with him for his famous Labrador Mission several rotary plows for digging up peat.

Sir Wilfred discovered the rotary plow in Scotland, where it is successfully used to turn up peat in the bog. The peat is then used as fuel. Sir Wilfred's plan is that these plows will not only provide fuel but he believes that the ground which they uncover may then be used for summer vegetation.

Lady Grenfell hopes to start her plan for small greenhouses, like cold frames. In these frames the Labrador inhabitants will be able to plant vegetables six weeks before the frost goes and therefore the plants will come to maturity before the frost comes again.

It is estimated that the Grenfell Mission in Labrador cares for approximately 20,000 persons and that the floating and permanent population of Labrador fluctuates between 50,000 and 60,000.

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Independent Order of Foresters
FRANK E. HAND, Supreme Chief Ranger
HEAD OFFICE: TORONTO, CAN.

SECURITY
STRENGTH ROYAL INSURANCE COMPANY LIMITED SERVICE
Extracts from the Report for the Year 1932
Net Premiums (All Departments) .. $71,106,100
Net Interest Earnings .. 11,305,065
TOTAL INCOME $82,411,165
After providing for Debenture Interest and the Final Dividend for 1932, the Funds of the Company stand as follows:—
Capital Paid Up $ 13,999,825
Life Assurance Fund 111,353,565
Annuity Fund 11,292,625
Capital Redemption Assurances Fund 2,734,600
Accident & General Insurances Fund 25,133,125
Marine Fund 7,734,835
Superannuation Fund 3,262,095
Shareholders' Life Profits 200,000
Fire Fund 28,980,750
General Contingencies Fund 5,000,000
Balance of Profit & Loss Account 7,826,005
TOTAL FUNDS $217,517,425
TOTAL ASSETS $260,216,555
The following is an extract from the Auditors' Certificate appearing on the Balance Sheet:
"The Stock Exchange Securities appear at or below cost and the value of the Assets in the aggregate is in excess of the amount stated in the Balance Sheet."
($5 taken as equivalent to £1)
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ONTARIO HYDRO USES RESERVES EVADES DEFICIT

Amounts Set Up For Lean Years Used; Total Reserves Up

Ontario Hydro-Electric Power Commission shows in its report for the year ended Oct. 31, 1932, that reserves were called upon to meet shortages in operating accounts. Total reserves were increased during the year, but considerably less than if they had been set up in the usual way.

The commission explains this by stating that sums had been set aside in previous years to care for lean years, and that certain principal payments on debentures are treated as part of the cost of service.

It is important to observe that the activities of the Hydro are divided into two sections: (1) the commission which creates and purchases power and distributes it to large consumers and municipal systems on a wholesale scale, (2) distribution of power on a retail basis by municipal utilities and rural power districts.

Evaded Operating Losses

Both sections would show operating losses for 1932, if reserves had been maintained in the usual manner. In the case of the commission's operations, an appropriation was made from reserves for obsolescence and contingencies to cover an operating debit of $2,578,365. As a result of this appropriation, a credit balance of $109,783 was created and credited to municipal and rural hydro systems for the year. In addition a smaller allowance than in 1931 was written into reserves from the revenue account.

The retailing section of the Hydro showed a surplus by excluding deduction of reserve for depreciation, which would have required $1,920,896 on the basis of rates ordinarily used. As a result a surplus of $1,837,273 was shown for the year, whereas a debit of $83,622 would have been created, had the usual reserve been made.

Revenue Account of Hydro-Electric Power Commission of Ontario Years Ended Oct. 31

	1932 $	1931 $
Revenue	28,05[illegible],895	27,9[illegible],154
Less:		
Oper. exps.	25,968,031	22,093,507
Reserves	4,666,229	5,155,895
Surplus for year	*2,578,365	658,752
Approp. from res.	2,688,148	....
Balance credited to municipalities	109,783	658,752

*Debit.

Of this statement, and the appropriation from reserves, the report states that it has followed a policy for many years of stabilizing the costs of horsepower to the municipal retailing systems. It indicates that this is what was done in 1932, as follows:

"Commencing with 1926 and continuing to 1930, there were included in the amounts set aside to the reserve for obsolescence and contingencies, additional sums designed to care for possible lean years that might come in the future. A proportion of these extra reserves was derived from the sale of surplus power. In 1932 the contingency reserve was drawn upon in the case of the Niagara system to the extent of $2,544,648.63, and the similar reserve in respect of the Thunder Bay system was drawn upon to the extent of $143,499.15. This relief was given to the municipalities in their cost of power to compensate for the increased costs and reduced revenues in the year. In all other respects the various reserves have continued to be accumulated on the same basis as formerly, with the result that in the aggregate the reserves of the commission show a net increase for 1932 of $3,741,074.72 as compared with the totals at the end of 1931."

Consolidated Revenue Account of Municipal Electric Utilities of the Ontario Hydro-Electric Power Commission for Years Ended Oct. 31

	1932 $	1931 $
Revenue	31,216,210	31,657,564
Less:		
Cost of power	19,109,036	18,409,304
Operating exps.	5,492,592	5,698,056
Interest	2,532,941	4,569,569
Sinking fund	2,244,368	
Deprec. res.	....	1,793,112
To reserves	1,837,273	1,187,523

A brief explanation of the failure to provide the usual reserves is made in the report as follows:

"The setting-up of the reserves on rates customarily adopted in the past would have required an amount of $1,920,896.22, which is $83,622.52 in excess of the amount shown in the foregoing table as available for the present year. In this connection it is important to note that the municipal Hydro utilities provide for the retirement of their capital liabilities by either the installment or sinking-fund method, and such payments are treated as part of the cost of the service."

Reserves of the commission were increased $3,741,074 during the year. The reserves of the municipal utilities and rural districts were increased $3,389,303.

Changes in reserves are shown in the following table:

Total Reserves of Ontario Hydro-Electric Power Commission and Municipal Electric Utilities as at Oct. 31

	1932 $	1931 $
Niagara system	50,900,344	48,503,212
Georg. Bay system	2,482,836	2,197,526
East. Ont. system	5,228,591	4,865,154
Thunder Bay system	2,739,224	2,597,317
Nor. Ont. dist.	164,784	86,942
Service bldg. etc.	664,714	616,737
Bonnechere stge.	1734	......
Hydro-elec. rys.	109,240	98,729
Ins., pensions, etc.	3,854,019	3,438,795
Total Comm. res.	66,145,486	62,404,412
Total Munic. res.	56,624,617	53,235,314
Grand total	122,770,103	115,639,726

Installation of transformers and transmission line in connection with the Chats Falls development is chiefly responsible for the increase of $1,042,791 in investment in this project. Half the cost of the Chats Falls plant was borne by Ottawa Valley Power Co.

Investment of $5,400,000 in Ontario Power Service Corp., to finance completion of this project, accounts for the increase of $5,527,430 in funds invested in the Northern Ontario districts. There will be additional investment in this project shown in next year's report. The Hydro has agreed to issue $12,600,000 additional bonds, making a total of $18,000,000, in exchange for Ontario Power Service bonds. At the time of the report these had not been issued.

The increase in investment in buildings is chiefly accounted for by erection of new head office building in Toronto, which was understood to call for outlay of some $1,000,000.

Capital Investment in Ontario Hydro-Electric Systems, Districts and Municipal Undertakings as at Oct. 31

	1932 $	1931 $
Niagara system	202,098,895	182,176,762
Dom. Power Co.	....	21,489,435
Chats Falls devel.	5,878,494	4,835,703
Georg. Bay syst.	8,329,026	8,203,445
East. Ont. syst.	21,060,824	21,570,767
Thunder Bay syst.	18,480,738	18,406,363
Nor. Ont. dist.	10,786,686	5,259,256
Hydro-elec. rly.	1,985,113	1,897,838
Offices, etc.	4,629,053	3,735,970
	273,248,829	267,575,539
Munic. systems*	109,309,934	105,434,583
	382,558,763	373,010,122

*Exclusive of municipal sinking fund equities in H.E.P.C. system amounting to $23,066,129 in 1932 and $20,103,275 in 1931.

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World Parley Day by Day

Record in Brief of Events at London Conference

Official and unofficial reports of events at the London Monetary and Economic Conference are given below in daily summary form.

JUNE 21—French delegates continued opposition to instability of currencies. Numerous members of monetary committees voiced doubt about British proposal of cheap money policies. Expressed fear of leading to inflation. U. S. group noncommittal.

Ramsay MacDonald reported to be seeking elimination of monetary stabilization bone of contention.

Four power wheat conference adjourned pending receipt of accurate information on production from Argentina, Russia and Australia. Limitation proposal reported to consist of 15 per cent acreage cut for one year. Attempts made to draw smaller producing nations into line.

Formation of central European economic bloc, of Czechoslovakia, Roumania and Jugo-Slavia, reported.

Russia sought pact of economic non-aggression, thought to be aimed at Britain.

Greece urged treaties between small debtor states and large creditor states to facilitate exports by debtors to creditors.

Conference resolving into numerous committees, sub-committees and sub sub-committees.

JUNE 22—France agreed to defer insistence on immediate currency stabilization, United States advised conference that the dollar could not be pegged yet.

Cordell Hull, United States, submitted resolution calling for reduction of tariffs and other trade barriers, and indicated he would make specific suggestions soon.

James Couzens, United States, presented resolution calling for consultations of central bank heads to ease credit. In this connection it was suggested that a conference committee be appointed to study plans for governmental public works to implement the easy money proposal. Mr. Couzens said that such works could be carried on by borrowing, provided service on such debts was included in a balanced budget.

From Washington, the United States was reported to be counting primarily on its domestic programme, not on the conference. But the American proposals at London were taken to indicate a desire to implement internal policies with international action.

JUNE 23 — Agreement to reduce wheat acreage 15 per cent reported to be almost ready. But Australian opposition said to continue.

Sub - committee on commercial policy appeared to agree that quotas and special tariffs could not be removed as long as currencies remain unstabilized. France moved for retention of quotas by nations now using them; a quota truce excluding agricultural products.

American experts reported to be preparing a study of how quotas and tariffs may be reduced over a five-year period.

Outside conference, French Chamber of Deputies reported to be preparing to increase tariffs on many types of goods.

JUNE 24—Conference adjourned. Cordell Hull, United States, told the press that there is no basis for the belief that the United States domestic and foreign policies are incompatible. This was considered to set at rest rumors that the United States is going to pursue a domestic programme without regard to international co-operation.

JUNE 25—Conference adjourned. R. B. Bennett, Canada, in radio address, said that four problems that must be solved before permanent improvement can be secured: (1) general levels of wholesale prices must be raised; (2) exchanges must be stabilized; (3) international money standard must be established; (4) channels of international trade must be cleared.

JUNE 26—Neville Chamberlain in monetary sub-committee said Great Britain is willing to consider temporary readjustment of external commercial debts, but that it would not be permanent. James Couzens, United States, said his government was prepared to decrease permanently the commercial debt burdens of debtor countries, but this did not apply to war debts, nor to those who could pay. This difference was seen as creating an American-British rift.

Australian objections to reduction of wheat acreage were reported to have been settled. But support of Australian wheat states reported to be lacking.

Support for the Pittman scheme for use of silver in central bank reserves was given by delegates from India. Co-operation by keeping the silver market stabilized was offered. China expressed a desire for stable gold-silver exchange rates.

Outside conference, Maxim Litvinoff, Russia, negotiated with British authorities for removal of British embargo on Russian goods.

JUNE 27—Wheat discussions suspended because need for acreage cut seemed less urgent due to crop damage. Australian states still adamant against acreage reduction. Reported that efforts will still be made to bring Australia into line in case acreage reduction is deemed necessary.

Gold standard countries conferred on defense of standard. Failed to get Britain to stabilize sterling with gold currencies. France still in favor of currency stabilization.

Pittman resolution to reduce central bank reserves to 25 per cent of note issues approved by monetary sub-committee, but not to be taken as excuse for issuing large superstructures of notes.

Britain moved resolution against state subsidies to shipping. Italy opposed bounties on raw material production, etc.

Raymond Moley, U. S. Undersecretary of State, arrived in London. Advocated widening scope of conference to allow "bold experiments."

No Catastrophe Seen If World Meet Fails

But London Already Discusses Possibility—Economic Nationalism Among World Units Seen

By Staff Editor

LONDON—Already the "City," which is English for the financial district, is discussing what would be the consequences of complete or virtually complete failure of the World Economic Conference to agree upon international measures of economic co-operation.

The newspapers speak of the consequences as certain to be appalling. They forecast that failure of this conference must inevitably mean chaos, complete collapse of our economic civilization, and the end of democracy. J. L. Garvin, in his widely read Observer, speaks weightily of "civilization at the crossways" and the "turning point toward chaos" which should be "shunned."

Financiers Not Panicky

But financial London takes no such panicky view; feels that economic nationalism is here to stay, for some time at least, and that the extreme doctrine of self-sufficiency may be practised as well as preached without revolution. Mr. De Valera's address in Paris, wherein he argued that the best way any nation could contribute to world recovery was by setting its own house in order, did not find quite the same opposition among the realists of the City as it did among the more "intellectual" groups in governmental and conference circles.

The conference failing, financial London expects that there will be a new round of tariff making which will make it difficult to restore world trade to its pre-war levels but which will divide the world not into a series of absolutely self-contained national units but into groups of related countries. The United States is regarded as a unit achieving a high degree of self-sufficiency. France prides itself on a similar independence of world trade and has one eye on sundry satellite nations particularly in Europe. It has the other eye cocked to the larger view of the United States of Europe. Germany speaks in terms of self-sufficiency but there are few to credit her with the capability of carrying on quite alone.

Further Empire Agreements

The British countries would be expected to get together in another Imperial Economic Conference and set themselves up as an economic unit much in the style of the Imperial region envisioned by some of the more idealistic speeches at Ottawa.

There would be a rush on the part of the smaller nations to get under the nearest umbrella.

All this is speculation based upon the very big "if" that the London conference gets nowhere. It is too early yet to make any too definite forecast that such will prove to be the case.

WORLD PARLEY MEETING PLACE FOR STATESMEN

Most Outstanding Gathering of Post-war Era at London

By Staff Editor

LONDON—No similar conference of governments in the post-war era has attracted such a large number of the really outstanding statesmen of the different countries. No less than eleven countries are represented by the heads of their governments.

These countries are as follows:

Austria: Dr. E. Dolfuss, federal chancellor;

United Kingdom: Rt. Hon. Ramsay MacDonald, prime minister;

Canada: Rt. Hon. R. B. Bennett, prime minister;

France: M. Daladier, premier;

Greece: P. Tsaldaris, prime minister;

Irish Free State: Eamon de Valera, president of the executive council;

Norway; J. L. Mowinckel, prime minister;

New Zealand: Rt. Hon. G. W. Forbes, prime minister;

Netherlands: Dr. H. Colijn, prime minister;

Switzerland: M. E. Schulthess, president of the confederation;

Luxemburg: J. Bech, prime minister.

An additional 31 countries are represented by delegations including at least one cabinet minister. Most of the others are represented by their ambassadors to London or Paris.

World Characters

Included among the ministers are such world-distinguished characters as General J. C. Smuts, of South Africa; Baron von Neurath, Dr. A. Hugenberg and Dr. Hjalmar Schacht, for Germany; Paul Hymans, of Belgium, Stanley Bruce, of Australia; Neville Chamberlain, Sir John Simon, Viscount Hailsham, "Jimmy" Thomas, Sir Philip Cunliffe-Lister, Walter Runciman, of Great Britain; Dr. T. V. Soong, of China; Cordell Hull, James M. Cox, Senator Key Pittman and Senator James Couzens of the United States; Georges Bonnet and Paul Boncur of France; G. Jung of Italy; N. Titelescu of Roumania; Dr. Benes of Czechoslovakia and M. Litvinoff of Russia.

DOMINION STORES SALES IMPROVED

June Figures Only 9.1 p.c. Under Same Period in 1932

Sales of Dominion Stores Ltd. showed improvement in the four weeks ended June 17. Volume of sales was $1,584,054 which compares with $1,554,037 in the preceding four-week period. In 1932, 1931 and 1930, June sales showed a drop under the May level. Sales in the four-week period ending June 17 were 9.1 per cent under sales in the same period of 1932. This compares with an average decline for the year to date of 15.8 per cent in comparison with 1932 figures. In the current year 51 fewer stores are being operated.

Sales for each period in the current year have shown improvement in comparison with sales in the corresponding period of 1932. In January sales were 20.1 per cent under sales in the same period of 1932 and each subsequent period has shown a smaller spread. Figures for each four-week period in 1933 compared with sales in the corresponding period of 1932 are as follows:

Four Week Periods:	1933 $	1932 $	Decrease %
January	1,398,267	1,749,931	20.10
February	1,501,638	1,857,574	19.16
March	1,555,614	1,885,675	17.50
April	1,505.418	1,795,015	16.13
May	1,554,037	1,774,837	12.44
June	1,584,054	1,742,883	9.11
	9,099,028	10,805,915	15.84

Russians Coat Pill With Propaganda

By Staff Editor

LONDON — The Russians are busy with their propaganda at London. They have flooded the conference building with imposing records of the alleged "success" of the Five Year Plan. To read the literature they have supplied to every delegate and every journalist one would gain the impression that Russia has achieved the millennium.

Absent are any references to the creaks and groans now heard by attentive listeners to the noise of their economic machinery in operation.

CANADA MAY MAKE CONFERENCE TREATIES

(Continued from page 1)

viewpoints that have bedevilled the world's economic politics since the war—nationalism and internationalism. The United States delegation has the task of convincing the conference that if each nation solves its own internal problems through its own efforts the final result will be stabilized prosperity for all. And the other nations have set themselves to the task of making the Americans believe that there can be no true prosperity even for an individual country in such nationalism; that all nations are interdependent and that the prosperity a single nation may enjoy is purely illusory and at best temporary if it does not take into consideration the larger interests of the world at large, since disintegration of the economic structure must spread, and must extend even to the best fortified among the nations.

It was obvious that the opening speech of Rt. Hon. Ramsay MacDonald was addressed primarily to the American delegation as were those of Premier Daladier of France and Finance Minister Jung of Italy. It was not for nothing that MacDonald made pointed reference to the war debts, which had been excluded from the programme of the conference and to the need for "mutual enrichment which was a condition of individual enrichment." Yet it must be admitted that MacDonald's appeal, impassioned as it appears on paper was coldly received by the Americans, who are suspicious of the League of Nations and all its works, and who are constantly being reminded from home that business is getting better there.

Think Conference a Joke

To one outstanding American I said:

"Is it not rather making a joke of this conference to send a man like 'Jimmy' Walker to cover it for an American syndicate?"

His reply was:

"But isn't the conference a joke anyway? A lot of selfish people sitting around pretending that they are ready to make concessions to each other when they know right well that none of them will make any concessions not even the Americans."

He reflected the Congressional viewpoint, which hamstrings Roosevelt and Hull.

Nothing that has been said by any of the Americans since they arrived has served to cheer up Londoners, who are convinced that United States economic nationalism will completely bar the conference from success. And nothing that has been said by any of the other delegates has convinced the Americans that the conference is anything but a League of Nations effort dominated by France to extract some outright gifts from the Americans.

It is here that Prime Minister Bennett has his great opportunity to bring about some reconciliation of the opposing viewpoints.

The Imperial Economic Conference agreements arrived at in Ottawa last year are very much under fire at the conference. The general interpretation put upon them by European propagandists and British free traders is not that they represent a net reduction in the tariff barriers of the world but rather that they represent a new set of barriers to international trade.

The agreements were discussed at a meeting in London just before the conference opened, at which Sir Arthur Salter presided and to which students of international affairs were invited. It was a rather "intellectual" and theoretical crowd that turned up but they wrote a brief report which has come before the delegates to the conference.

The Ottawa agreements were not criticized on legal grounds nor because it was felt that they were incompatible with the operation of the now badly battered most-favored-nation clause of various trade treaties. But it was felt by the group that, on economic grounds, Imperial preference was to be "deplored."

I discussed this viewpoint with Prime Minister Ramsay MacDonald who holds decidedly different views about the Ottawa pacts. He feels very strongly that these agreements were not in any sense disruptive and that on the contrary they represent a very real contribution to tariff reduction and world recovery.

Symmetallism Looms

It is to be regarded as significant that on the morning the conference convened The Times published an article by a correspondent, who was not named, and who advocated "symmetallism" as a substitute for bimetallism.

The Financial Post some weeks ago published the information, generally overlooked in the press, that symmetallism was discussed by MacDonald in his Washington conversations with Roosevelt.

Strong pressure has been brought to bear on the British Government to throw its influence behind the remonetization of silver. Men like Horne and Amery have consistently advocated a higher place for silver in the world's monetary system, being apparently content to achieve this result by any means found possible, whether by an international bimetallism or otherwise.

Bimetallism, which implies the establishment of a fixed ratio of value between gold and silver, at which the two metals would be freely interchangeable through the mints, treasuries or central banks of any of the countries adhering to the scheme, has come in for much criticism at the pens of most economists and practical bankers. The article in The Times was an exceedingly clever attempt to answer all the pat arguments against bimetallism. It concluded by suggesting that we might perhaps adopt that form of bimetallism proposed many years ago by the distinguished economist, Prof. Alfred Marshall and which he called symmetallism.

Neither Gold Nor Silver

On this plan neither gold nor silver is taken as the measure of money but a combination of the two. Suppose, for example, the combination is fixed at 15 parts of silver to one part of gold (this being the approximate ratio of production down recorded economic history and therefore supposedly the approximate ratio of the present supplies in the world). Then instead of a dollar being measured at about one twentieth ounce of gold, roughly speaking, as now, it would be measured by one fortieth ounce of gold and fifteen times that quantity of silver. In this way the risk of disturbance of money through sudden great discoveries of either gold or silver, or of shortages of either metal, would be less, it is argued, than under a gold standard.

It is not certain that the British treasury officials who are advising the Whitehall delegates at the conference entirely subscribe to the proposals but this much is certain, bimetallism and its half-brother symmetallism have plenty of support in London.

Committees Work Hard

Committees are hard at work at the conference. One main grouping of delegates has tackled the various monetary problems of the depression and another has undertaken to look into the economic problems. The Americans scored a tactical victory when they were able to get their own way about having one of their delegates appointed to the chairmanship of the monetary committee—or the Monetary and Financial Commission, as it is called in League of Nations language—and they selected Hon. James M. Cox for the task.

Mr. Cox is not known to have any particular economic knowledge to equip him for the task but as the work will be done largely by the "experts" the chairmanship is largely administrative. Perhaps the appointment of Dr. Colijn, of Holland, to the chairmanship of the Economic Commission might justify the same comment.

The two commissions have broken up into various sub-committees of study and as these committees will take their time about coming to conclusions, and as their recommendations will finally have to be sorted out by the commissions and then brought before the whole conference, it is easy to see why it is impossible to expect day-to-day developments of importance for the newspapers to report.

Speeches Give Few Clues

A re-reading of the various opening speeches of the delegates from different countries really gives very little clue as to the real objectives of the different countries. Most of the addresses, while splendid oratorical efforts, were very generalized in nature, and of practically all of them it may be said that they consisted largely of threshing over old straw. But what else could be expected?

That, by the way, is why in these articles from London, I have not attempted to give a summary of the speeches of the delegates or of all of the numerous proposals that have been put forward. To do so would be merely to rehash material that appeared in The Financial Post in the two weeks prior to the opening of the conference. The task of the conference was well presented in those articles; the opening addresses largely said the same thing in but different words. These articles are designed only to give a little of the atmosphere of the conference and to emphasize a few interesting highlights here and there.

Conference Clearly Divided

But a re-reading of the opening addresses emphasizes that the conference is divided on many matters into some not too well defined "blocs." On monetary questions the Americans lead the "inflation" group and they are inclined to resent imputations that the controlled price-raising programme of President Roosevelt is unsound and dangerous. They have made it clear that they consider a rise in the wholesale price level to be a sine qua non of recovery; and that this can best be brought about by government measures to cheapen money and liberalize bank credit.

To some extent they have had the support of Great Britain and Japan who are less inclined, however, to feel that all that needs to be done is to depreciate the currency in order to end the depression.

Views of French Bloc

Ranged against them is a bloc of nations headed by France, Italy and Germany, who are preaching strongly against the "delusions connected with the depreciation of currency." The view of these countries is that over-production is the cause of the depression and that it therefore cannot be cured by injecting more credit into the business structure by artificial means.

The attitude of the French is easy to understand; having tied themselves to gold, desiring at all costs to avoid a further depreciation of their currency, they naturally do not want to be forced from their gold-bound position by the action of other nations who are depreciating their currencies and gaining a competitive advantage in trade.

It is this cleavage of opinion that makes stabilization of exchanges an unlikely outcome of this conference. The Americans are not interested in final stabilization of exchanges until they have gotten their own price level where they want it. The French and their bloc would like exchanges stabilized at once without further depreciation, and if they could induce the nations to return to gold along with them at an early date they would be delighted.

Whatever measure of temporary stabilization has been achieved is concerned only with preventing widescale movements in exchanges in the immediate future. The final parities are yet to be determined and it is not to be expected that such determination will be the product of this conference. Thus, Canada must continue to face the problem of a fluctuating dollar both in terms of the American dollar and the pound sterling. Mr. Bennett, in his address, urged the United States and the United Kingdom to speed exchange stabilization and promised Canada's co-operation.

Bennett Tariff Talk Practical

In regard to questions of tariffs, the public speeches of the delegates indicated fairly wide variations in their ideas as to how excessive tariff barriers should be eliminated. Suggestions varied all the way from proposals for a modification of tariffs in general to proposals for regional tariffs agreements and plans to control international trade by agreements between producers and quotas in importing countries. Not one of the delegates spoke in more practical vein than Mr. Bennett, who declared that tariffs should be lower but frankly forecast that nations would continue to use tariffs as instruments of national policy to safeguard their national and racial aspirations.

Has Lighter Side

The conference is not an unpleasant affair for the delegates from the many countries. The usual round of garden parties, receptions, etc., is lightening the burden of their labors. No doubt, too, the foreign delegates, or those who are not completely mystified by the London press, are finding some amusement in the queer editorial antics of the sensational papers of Fleet Street, which are finding more copy in the conference than any such meeting can be expected properly to produce.

The Daily Express one day ran a large front page picture of a Japanese delegate asleep in a chair in the ante-room of the main conference hall, the obvious purpose being to make it appear to the unthinking man that the conference is simply a waste of time. As a matter of fact, no delegate could be expected to sit through all the sessions all of the time as speeches have to be translated and much time is necessarily taken up in this way.

The Canadian delegation have stuck on the job as closely as anyone and have done a great deal in the way of absorption of important facts with a minimum of talking for effect.

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The production for the week of June 19 was $7,217,000, which excels even the heyday of 1929. It is 25% better than the previous best week in the Company's history.

Three facts combine to give the answer.

1. Our representatives wanted to determine just what they could accomplish in one week. They were encouraged to tackle the job because their efforts have met with marked success again throughout this year.

2. The public are more receptive to the life insurance idea. They have rediscovered that there is nothing which can take the place of life insurance in providing for their own future or that of their dependents.

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$3,886,000
City of Toronto
4½% Serial Debentures
and
$1,000,000—Toronto Harbour Commissioners' 4½%—20 Year Straight Term Debentures Guaranteed by the City of Toronto

The Commissioner of Finance, City of Toronto, announces that he will receive separate sealed tenders addressed to William J. Stewart, Esq., Mayor and Chairman of the Board of Control, City Hall, Toronto, up to 12 o'clock noon (Eastern Daylight Saving Time),

WEDNESDAY, JULY 5TH, 1933,

for (a) $3,886,000—10, 20 and 30 year Serial Instalment debentures of the City of Toronto, payable in Toronto. Approximate average maturity is 12.03 years, and

(b) $1,000,000—20 year straight term debentures of the Toronto Harbour Commissioners, guaranteed by the City of Toronto, also payable in Toronto.

The City of Toronto debentures are issued to finance Street Pavements, Sidewalks, Sewers, Water Works, Police and Fire Department Garage and Repair Shop, and Hospitals.

Engraved City of Toronto debentures will be ready for delivery August 1st, 1933, and the debentures of the Toronto Harbour Commissioners on September 1st, 1933. Delivery of both issues will be made in Toronto.

The City of Toronto never renews or refunds any of its obligations, and, in conformity to this established practice has, since January 1st, 1919, extinguished $118,590,000 of debt of which $27,330,000 was before maturity. In addition debentures amounting to $3,130,000 will mature during the balance of this year and provision has been made for the payment of same.

Prospectus will be furnished on application to the Commissioner of Finance, City Hall, Toronto.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Lanark County	June	Tom Farmer, Perth	5%	10-yr.	$20,000	....	....

Summary of Week's Annual Reports

A brief analysis of company earnings per annual statements received since last week's issue. Company name in bold type indicates stocks listed in Canada or New York. Net income shown is before preferred dividend, if any. Market prices are at close on Tuesday this week or last sale.

Company	Year End	Net Income 1932 $	Net Income 1931 $	Common earnings 1932 $	Common earnings 1931 $	Curr. divid. $	Balance car. fwd. 1932 $	Balance car. fwd. 1931 $	Mkt.	Mkt. times earn.	Yield %
New Brunswick Power	Dec. 31	*41,337	6,623	...	...	...	202,574	241,120	...	...	...
Sherritt-Gordon	Dec. 31	*296,741	4,843	...	...	...	†291,898	4,843	1.21	...	...

*Loss. †Deficit.

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

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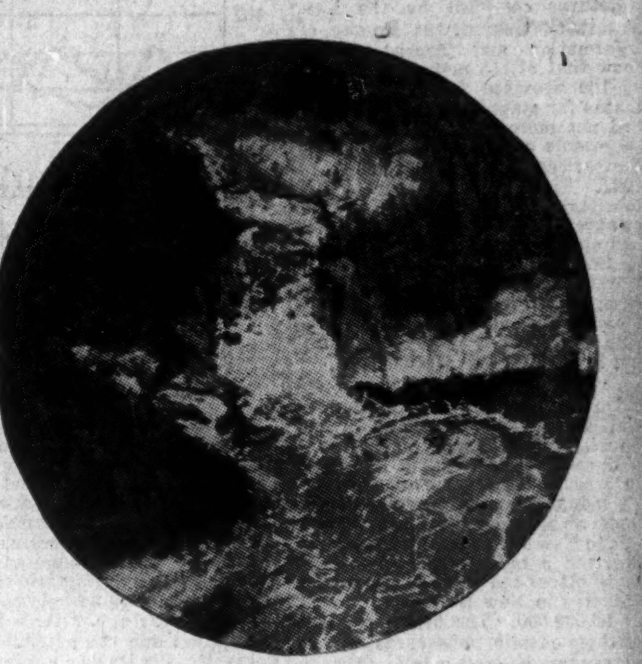
Maritime Provinces Boast Wide Diversity of Interests

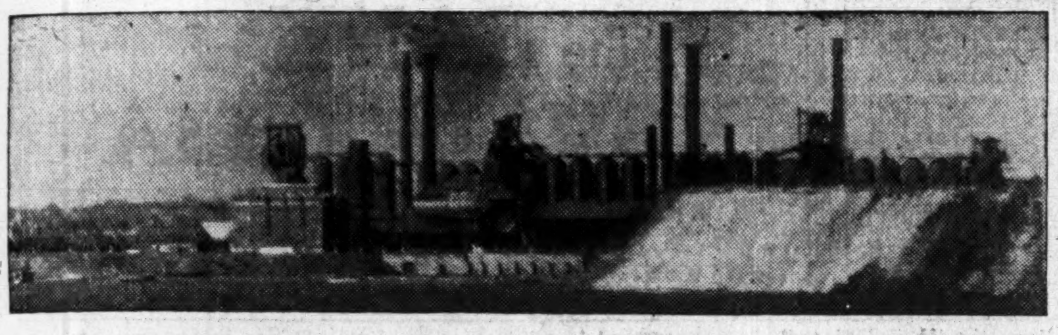
FISHING

AGRICULTURE

LUMBERING

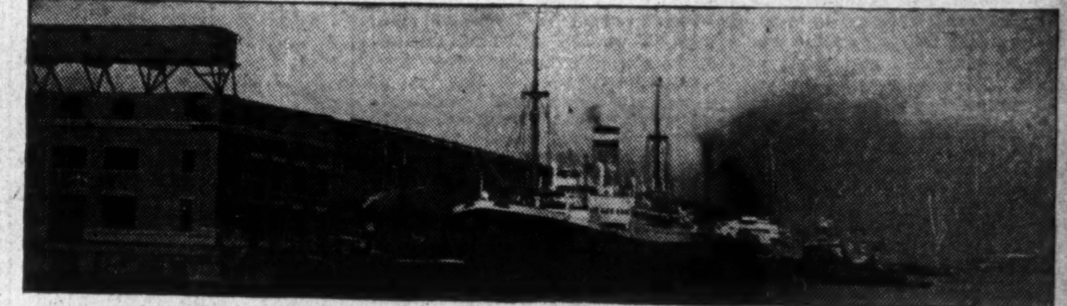


PULP AND POWER



IRON AND STEEL

SILVER FOXES



OCEAN SHIPPING

Traffic Stimulated In Maritime Ports

Ottawa Agreement Aids Halifax and Saint John Through Wheat and Cattle Rulings —Port Authorities Prepare for Traffic Increase

Major developments of importance took place during the past year in connection with the efforts of the Halifax and Saint John ports authorities to stimulate the movement of Canadian traffic through their ports. First was the granting of a six cents a bushel preference to Canadian wheat in the United Kingdom market on wheat originating in the Dominion and, secondly, the lifting of the British embargo on Canadian cattle shipments.

At one time the shipment of cattle from this side to the Old Country made up an important part of the traffic from Montreal, Quebec, Saint John and to a lesser extent, Halifax. During the summer season shipments went via the St. Lawrence route and through the Maritime ports in the winter.

Cattle Trade Welcomed

About the middle of January last the embargo was lifted. The beneficial results of this action were seen immediately in several large shipments from Saint John. Adequate facilities for handling this type of traffic already were in existence and before the opening of the St. Lawrence, Saint John had handled several thousand head of cattle.

While the lifting of the cattle embargo was welcomed, the wheat preference was by far the most important outcome of the Imperial Economic Conference at Ottawa in so far as the ports of Saint John and Halifax were concerned.

Will Eliminate Handicap

One of the greatest handicaps suffered by these ports in years past has been the lack of a sufficient volume of grain to attract the transatlantic liners to Saint John or Halifax. During the winter season especially, the ports of Portland, New York, Baltimore and others on the American sea coast had large quantities of wheat for export, much of it Canadian. Despite frequent protests by the Maritime authorities the movement of Canadian grain through Saint John or Halifax never reached any large volume. Discriminating freight rates were blamed for this situation and though a strong case had been put before the Dominion Government for a readjustment of the existing schedules to conform with promises made in earlier years by the Federal authorities, little progress had been made.

The granting of the British preference on wheat originating in Canada changes the picture and makes it worth while for the Canadian exporter to utilize the facilities offered by Halifax and Saint John. In order to secure the preference it was necessary for the exporter to prove that the grain originated in Canada. In other years when grain moved via Buffalo and the American Atlantic ports, it was mixed with American-grown wheat so that, under the terms of the Conference agreement, it was not possible to produce documentary evidence to the effect that the wheat originated in Canada.

Test Shipment Failed

Test shipments were made from an American port by shipping interests, but the preference was not granted.

This was hailed by the national ports of Canada as definitely establishing the principle that for Canadian wheat to secure the British preference it must be shipped through a Canadian port. The matter is not decided as yet, however, as shipping interests are still negotiating with the British Government to see if it is not possible to make arrangements whereby Canadian wheat could be shipped to the United Kingdom through United States ports and still get the British preference of six cents a bushel.

New York Seeks Traffic

A delegation from the New York harbor authority recently interviewed British customs officials and stated they had secured an outline of the documentary requirements necessary to secure the preference on wheat shipped through United States ports.

The Ottawa agreement states that where the customs commissioners were satisfied that certain wheat shipments originated from Empire points they would be admitted free of duty regardless of the ports through which they were shipped. In order for American ports to secure the preference, therefore, it will be obligatory on their part to stop the mixing of grain and keep Canadian wheat separate from that grown in the United States. Many difficulties confront the American port authorities in complying with this regulation and meanwhile the Canadian ports benefit by the agreement concluded at Ottawa last summer.

Halifax Port Progressing

Figures for 1932 for the Port of Halifax show that the note of optimism sounded by the commissioners in their report for 1931 was more than justified during the year, traffic having held up remarkably well considering the disturbed conditions of trade throughout the world. Efforts to balance revenue and expenditure were continued, and while the former decreased by only $11,321, substantial economies were effected in operation leading to a reduction of $73,979 in the latter. The operating deficit for the year was therefore, reduced to the modest sum of $667.

During the first five months of the current year the Port of Halifax had handled a total cargo tonnage of 646,684 tons. This compares with 686,291 tons and 712,922 tons for the corresponding periods of 1932 and 1931. While decreases are

(Continued on page 14)

BACK-TO-LAND MOVEMENT AIDED BY GOVERNMENT

Nova Scotia Creates Board to Assist Permanent Settlement

With a view to assisting eligible applicants to become established in farming as a permanent occupation, the Nova Scotia Government has set up the Nova Scotia Land Settlement Board for the purpose of providing financial assistance for the purpose of acquiring land, erecting or repairing buildings, or to make other permanent improvements on farm properties, and to purchase stock, agricultural machinery and equipment.

The Board has already started functioning, with offices in Halifax and Glace Bay. Hon. O. P. Goucher is chairman, with Dr. H. C. McIntosh, vice-chairman. The personnel of the Board also includes: Dr. M. M. Coady, Hon. D. G. McKenzie and George L. Bishop. H. H. Congdon is secretary of the Board.

Maximum Loan $3,000

Under the provisions of the new legislation the Board can make a loan to any eligible applicant. Advances are limited to $2,000 in the case of a British subject who has been a resident of Nova Scotia for at least five years and "has been an employee in the coal mining industry of Nova Scotia or has been an employee in some manufacturing industry or transportation company in Nova Scotia, and is on the date of submitting his application, unemployed because of lack of work." A maximum loan of $3,000 can be made to any British subject who has had at least three years practical experience in farm work or has been a member for at least two years of a junior farmers' club or has completed the farm or degree course of the Nova Scotia Agricultural College and has resided in Nova Scotia for at least five years.

Security for Advance

The security for these loans is a title to the farm in the form of a deed or first mortgage, while the interest charge is 5 per cent per annum.

In order to make the act as effective as possible, the Government permits the applicant to repay the loan over a long period. Loans of $1,000 can be repaid in a period up to 15 years; between $1,000 and $1,500, up to 25 years; and for loans of $1,500 to $3,000, up to 32 years.

The Maritime Case

Provinces by the Sea Present United Front in Seeking Wider Market for Their Products in Rest of Canada

By J. E. L.

For the greater part of the 60 years since Confederation the Maritime Provinces of Nova Scotia, New Brunswick and Prince Edward Island have been a political rather than an economic part of the Dominion. The union of the British North American colonies did not have the leavening effect on the Maritimes that it had on the other provinces. The former continued to look eastward. The sea was the great trade highway carrying their products to the markets of the world. It was the very backbone of their prosperity. Confederation did not cause any change in the course of the Maritime economic ship.

The sea has not failed the Maritime Provinces, but man-made conditions have caused them the complete or partial loss of many of their export markets. Prohibitive tariffs, depreciated currency and other current economic ills have disturbed trading relations the world over. The once prosperous markets of the Maritimes in the United States, United Kingdom, the West Indies, Central and South America and continental Europe have dwindled until today they are only a shadow of what they once were.

Want Place in Canadian Market

No longer do the Maritimes find a ready and profitable market for their products. Lumbering, fishing, mining, manufacturing and other forms of activity have declined; in some instances, to an alarming extent. Maritime leaders are fully aware of the changed economic trend and in the insistent demand for "Maritime Rights" one sees the determined effort of the three Atlantic provinces to establish a market in other provinces to take the place of those they once had in overseas countries.

Marketed Their Products Overseas

With the exception of one or two individual enterprises, the Maritimes, as a whole, have neglected the Canadian market. They shipped their lumber to the United States, the West Indies and England. Their apples went to the Old Country. Potatoes were shipped to the United States and the West Indies. Fish found a market in the West Indies, Spain, United States and South America. With the exception of a few items, such as coal and steel, the majority of the primary Maritime products were marketed outside the Dominion.

Price rules in international and national markets. With the sea at their door, the Maritimes have been aided immeasurably by low cost transportation in building up their markets. They might have contended for the "Upper Canada" trade, but for the greater part of the year they would have been at a disadvantage owing to the cost of transporting their competitive goods to market by rail. The Maritimes cannot be censured, therefore, if they have overlooked the Canadian in favor of foreign markets where, in the past, they have been in a position to compete on favorable terms.

Fight to Establish Position

Now the three Atlantic provinces want a share of the Canadian market. They feel, and rightly so, that as part of the Dominion they are entitled to compete on equitable terms for a share of the trade. To that end they have been insisting on lower freight rates; the movement of Canadian traffic through Canadian ports and the fulfillment of various recommendations made by the Duncan Commission in order that they may be allowed to take their place in developing as an integral part of the Dominion.

These demands have been met in part by the Federal Government. Coal and coke have been subsidized. The Maritime Freight Rates Act has been in force. Assistance has been rendered in other ways. The Maritimes, however, are still a long way from the point where the market of Ontario and Quebec replaces those formerly enjoyed in overseas countries.

Maritimes Should Create Own Markets

One of the greatest handicaps suffered by the Maritimes in their fight to secure a larger share of the Canadian market, is that they have failed to "sell themselves" to the rest of the Dominion. The men who founded and developed the Maritimes went out into the byways of the world and created markets for their products. Their descendants of today are faced with the same condition. They must establish their own markets. The Federal Government and other institutions can be of assistance in correcting discrimination against the building up of Maritime trade, but any lasting trade arrangements as a basis for returned prosperity must come as a result of their own initiative.

NEW BRUNSWICK MOTOR VEHICLES ADD TO REVENUES

High Gasoline Tax Keeps Returns Up to Former Levels

Revenue totalling $1,603,714 was secured from motor vehicle licenses and gasoline taxes in 1932 by the New Brunswick Department of Public Works. Automobile registrations contributed $840,261, while the gasoline tax brought into the treasury a total of $767,769.

There was a slight drop in registration fees as there were 5,195 passenger cars and 426 trucks less in operation in 1932 than in 1931. This loss of registrations occurred principally in the rural sections of the province.

Higher Gasoline Tax

Revenue from the gasoline tax recorded an increase at $66,949. This was due primarily to an increase in the tax and not to greater consumption of gasoline, as the gallonage sold recorded a decline of 10 per cent. Another factor bearing upon the consumption of gasoline is that automobile owners are buying smaller cars, which, of course, are lighter in weight and give a higher mileage per gallon of gasoline.

Registrations Drop in 1932

In 1905 New Brunswick reported 12 motor vehicles registered within the province. At the end of last year registrations included 24,030 passenger cars, 3,540 trucks, 84 convertible trucks, 60 buses, 67 tractors, 595 trailers, 135 motorcycles, 49 hearses, and 76 service cars. Up until 1930, the registrations of motor vehicles had shown increases from year to year. Two years ago, however, there was a slight recession in the number of registrations, which became more pronounced in 1932.

Following is a record of the aggregate motor vehicle registrations in the province in the last two decades.

Year	All Registrations
1910	299
1912	700
1914	1,260
1916	2,986
1918	6,511
1920	11,121
1922	13,513
1924	19,758
1926	21,301
1928	27,922
1930	35,245
1931	34,281
1932	28,636

Maritime Business Shows Improvement

The Financial Post Business Index Reveals Sound Gain in May — Higher Level of Index Compared With Dominion Feature of Past Three Years

For the first time since the beginning of 1932, The Financial Post index of business in the Maritimes gained in May over the previous month, the actual rise being from 88.7 to 91.7. This gain which occurred in the May index is significant, coming as it does at the same time as the rise in the rest of Canada's economic areas, in that experience over a number of years has shown that the Maritimes has generally lagged behind the rest of Canada, not only in upturns but in downward trends.

The gain in the May index reflects gains in bank debits, electric power production and overseas trade, three of the nine factors used in the compilation of the index. New business obtained by the construction industry was even less than in April, emphasizing the low level of operations. The average daily output of electric energy was 1,618,000 kw.h. compared with 1,465,000 kw.h. in April, a considerable gain being indicated after seasonal adjustment.

Bank Debits Bright Spot

There was a slightly downward trend in the employment index, the May figure being 81.8 compared with 81.9 in April. The rise in bank debits was the bright spot, the adjusted gain being 29.6 per cent. Sales of life insurance were nearly maintained, the actual gain being slightly less than normal for the season.

Exports from Maritime ports dropped more than would be expected from seasonal considerations. Imports were $1,520,000 compared with $1,093,000. The tonnage cleared from Saint John and Halifax was 555,541 in May, the adjusted gain being 4.6 per cent.

Recent Expansion

Diversification of activity is probably the key to the higher level of business activity maintained in the Maritime Provinces during the past three years than in the Dominion as a whole. Expansion of existing industries took place later than in central Canada, new paper mills and electric power projects being started after the peak of industrial prosperity had been passed as far as Canada was concerned.

Business activity in the Maritimes, as measured by a special index prepared especially by The Financial Post, has consistently lagged eighteen months behind the Dominion, and for this reason the peak of Maritime activity was not reached until July, 1930, while in the case of the Dominion index, February, 1929, marked the highest point.

Activity Maintained

As an example of the maintenance of industrial activity long after the trend throughout the remainder of Canada was downward, central electric station output in the Maritime Provinces in 1932 was 0.5 per cent greater than in 1931 while, in Canada as a whole, output was off three per cent in 1932 compared with the previous year. Domestic demand can be taken to be approximately constant and therefore the balance used by industry was responsible for the increase.

Employment, another significant indicator of the level of business and one which is generally regarded as of paramount importance in judging business activity, has been maintained at a higher level in the Maritimes than in Canada or any of the other economic areas. On the basis of 1926 equals 100, employment in the Maritimes during 1932 averaged 92.2 compared with 87.5 in the Dominion, while in the first five months of the current year the average is 78.4 for the Maritimes and 77.2 for the Dominion.

Bank Debits

Bank debits, showing as they do the total of financial transactions handled by cheque, form a valuable index of activity, and here again the record of the Maritime Provinces is considerably better than that of Canada. Unbalanced by the tremendous volume of transactions representing stock exchange dealings in the boom years, the total for Canada slumped from $37.5 billions in 1930 to $31.6 billions in 1931 and then to $25.8 billions in 1932, the total decline over the two years being one of 31.2 per cent. Maritime debits, on the other hand, fell from $708,351,000 in 1930 to $652,543,000 in 1931 and to $519,171,000 in 1932, declines of 7.9 and 20.4 per cent respectively, and a total decline of 26.7 per cent.

In the realm of life insurance, sales figures for which are generally regarded as a fair index of purchasing power, the showing of the Maritimes is not so good. In 1932, sales declined 21.4 per cent from the previous year compared with a 17.4 per cent drop in the case of the Dominion.

Only Maritimes Index

The Financial Post index is the only one which attempts to relate these particular factors which affect business in the Maritimes. In all, nine statistical factors relative to the chief economic activities of the area, each with a different weight, are used in the compilation of the index. The trend of the construction industry is measured by the amount of contracts awarded and building permits in the chief cities. The amount of the permits is compiled officially by the Dominion Bureau of

(Continued on page 14)

Three Atlantic Provinces Record Annual Output Worth $326,725,197

Production in the Maritime Provinces in 1930, according to the latest returns completed by the Dominion Bureau of Statistics, had a gross value of $326,725,197 and a net value of $209,810,427. In the previous year the three Atlantic Provinces reported a gross production value of $373,318,100 and a net figure of $240,214,727. These figures allow for duplications in the items going to make up the grand aggregate. In 1930 the amount of gross duplications totalled just over $54,000,000 and net duplications to $27,700,000.

The net value of production in the Maritime Provinces was less in 1930 than in any year from 1926 to 1929. The total in 1930 at $209,810,427 was about 12 per cent less than in the preceding year. The lowest point in the eleven year period under observation was in 1924, the total for the three provinces dropping in that year to $192,507,000. Industrial revenue in 1925 was also on a moderate scale, the gain in 1930 over 1924 and 1925 being 24.8 per cent and 17.2 per cent, respectively.

Principal Sources of Revenue for 1930

Production in Nova Scotia was principally in manufacturing, mining and agriculture and fisheries, which were respectively accountable for 36.1 per cent, 23.6 per cent, 22.5 per cent, and 9.1 per cent of the net output of the province. The contribution of manufactures, aside from processes carried on in connection with the extractive industries, was 25 per cent.

In New Brunswick manufacturing took first place as a producer of new wealth, the proportion being 37.5 per cent before and 19 per cent after elimination of duplication, while agriculture furnished an output of 29.8 per cent. Forestry occupied third place, with an output of 27.9 per cent, followed by construction, with 9.1 per cent and fisheries with 6.2 per cent.

Agriculture, including fur farming, contributed 76.8 per cent of the net output of Prince Edward Island.

VALUE OF PRODUCTION IN THE MARITIME PROVINCES DURING 1929 AND 1930 BY INDUSTRIES

	PRINCE EDWARD ISLAND				NOVA SCOTIA				NEW BRUNSWICK			
	1929		1930		1929		1930		1929		1930	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Agriculture	$26,850,962	$19,650,000	$19,297,309	$12,776,369	$45,527,642	$30,159,723	$39,560,941	$25,744,584	$41,134,099	$28,346,000	$35,190,057	$23,480,377
Forestry	669,595	582,259	663,509	584,142	11,870,173	9,707,296	14,415,051	11,134,268	37,296,545	24,828,864	32,822,655	21,965,180
Fisheries	1,846,797	1,297,125	1,682,893	1,141,279	16,223,416	11,427,491	14,928,394	10,411,202	7,374,092	5,935,635	5,954,336	4,853,575
Trapping	14,598	14,598	2,896	2,896	238,933	238,933	382,975	382,975	194,223	194,223	105,670	105,670
Mining	......	......	......	......	30,904,453	30,904,453	27,019,367	27,019,367	2,439,072	2,439,072	2,191,425	2,191,425
Electric Power	203,633	203,185	227,703	227,177	3,813,379	3,087,911	4,432,899	3,675,905	2,816,978	2,208,666	3,481,718	2,806,573
Construction	627,300	407,745	1,120,000	728,000	14,997,872	9,809,106	7,238,000	4,704,700	6,806,500	4,424,225	11,067,000	7,193,550
Custom and Repair	267,000	203,000	221,000	150,000	3,878,000	2,544,000	3,875,000	2,718,000	1,973,000	1,532,000	1,524,000	1,250,000
Manufactures (a)	4,638,725	1,773,894	4,254,966	1,708,139	94,292,816	42,786,293	85,802,921	41,296,743	71,433,966	30,980,431	63,468,262	29,570,998
Grand Total (a)	$32,807,542	$23,452,390	$25,436,519	$16,635,118	$199,016,575	$129,380,194	$174,266,197	$114,402,720	$141,493,983	$87,382,143	$127,022,481	$78,772,589

(a) Less duplication.

NEW BRUNSWICK PUSHES EFFORTS DRAW TOURISTS

Drop in Trade For Past Year Well Below Average

Tourist traffic in New Brunswick in 1932 was somewhat less than in the previous year, but the decline was not nearly as great as that reported in other provinces.

Returns compiled by the New Brunswick Government Bureau of Information and Tourist Travel show that 51,113 motor cars entered the province from the United States for stays exceeding 24 hours and not more than 60 days. This represents a drop of 11 per cent in comparison with the figures of 1931. The total number of motor tourists from the States last year, however, was equal to that of 1930 and almost 75 per cent greater than in 1929.

Offsetting the decline in traffic from the United States was an increase of about 14 per cent in the volume of tourist business originating in Ontario and Quebec.

Tourists Spend Money

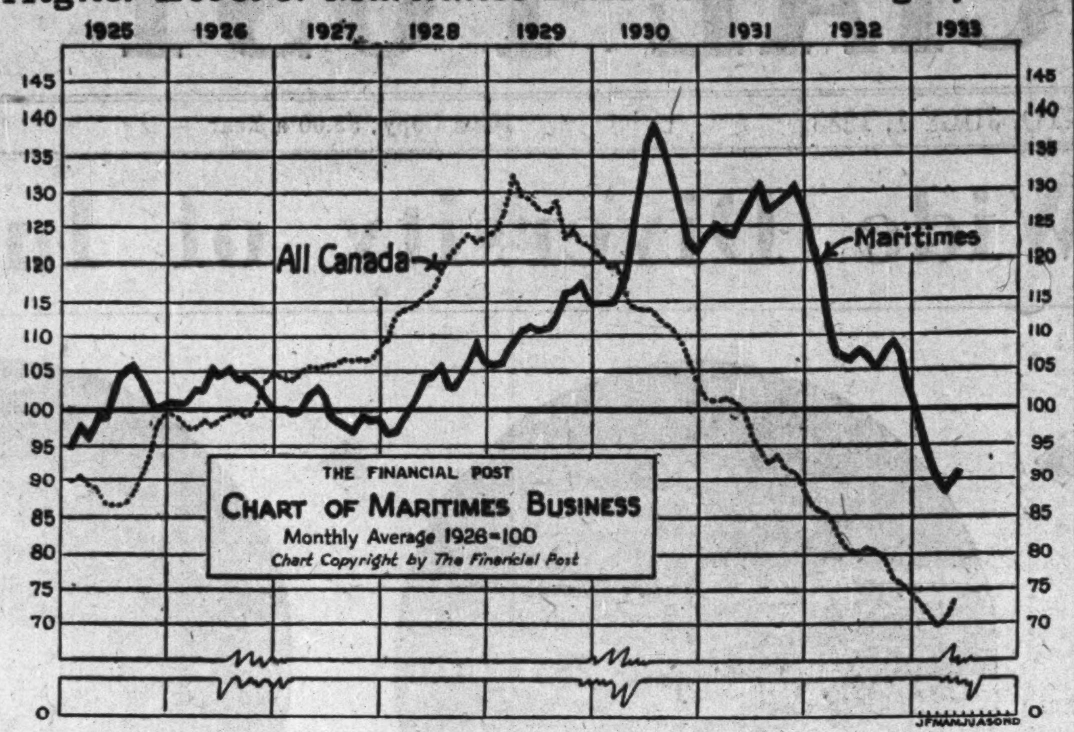
During the past year the Provincial Bureau of Information and Tourist Travel issued to all tourists a questionnaire card, in an effort to ascertain the value of the tourist industry to the province and to make an accurate survey of its benefits to New Brunswick. From replies received a most conservative estimate places the value of the tourist industry in New Brunswick in 1932 at $6,000,000. The turns from 340 of these questionnaire cards selected at random showed a total expenditure of some 1,084 people to be $24,620 and an average expenditure per car of $73.34. This is regarded as a most favorable showing in view of the fact that tourists on the whole were spending less money per person in 1932 than ever before.

Many Come for Sport

An important phase of the tourist business from New Brunswick's point of view are those visitors who come to the province for hunting and fishing. The number of non-resident fishermen and hunters was somewhat less in 1932 than in 1931. This was due in no small measure to the fact that the people of the United States were engrossed in a presidential campaign and of necessity a greater number of men, who formerly spent their vacations on the trout and salmon streams and in the forests of New Brunswick, were engaged in matters affecting the political situation in the republic. It is but natural during a presidential election year to find the tourist trade into Canada somewhat less than in other years since the majority of tourists come from the United States.

Some idea of the value of these non-resident fishing and hunting parties to the province is to be seen in returns compiled by the bureau. Six parties comprised of 11 people who came into the province to fish and hunt in 1932, for example, spent $2,876 or an average per person of $261.45.

Higher Level of Maritimes Business Index Significant



Maintaining its position many points above the index for the Dominion, The Financial Post index of business in the Maritime Provinces shows that the depression years have not taken as great a toll in that area as in the remainder of the country. The peak of business activity was not reached until the end of 1931, about eighteen months later than the Dominion as a whole, but the index has followed the general trend at this time by making a substantial gain at May 1.

TRAFFIC STIMULATED IN MARITIME PORTS

(Continued from page 13)

reported in the South American, West Indies, Newfoundland and Coastwise trades, increases are reported in Trans-Atlantic, Asiatic and African trades.

Main Shipping Port

Halifax has rapidly developed as an important shipping point for Canadian grain and grain products. In order to facilitate the handling of grain in bulk, the port is provided with a modern grain elevator of 2,220,000 bushel storage capacity. This elevator is equipped with automatic car dumpers for receiving grain brought in by rail and is further equipped with a marine tower for receiving water-borne grain. There are five loading berths which can be operated simultaneously, capable of discharging into ships at the rate of 90,000 bushels per hour.

Over a year ago, after a full investigation into the possibilities of the traffic, the Harbor Commissioners decided to install a marine tower for unloading water-borne bulk grain. This tower came into operation in the spring of 1932 and since then has handled approximately one million bushels of grain. By reason of the installation of this marine tower, it was found possible to move large quantities of low grade wheat and coarse grain by water from Fort William and Port Arthur to Halifax for re-export or for domestic distribution and this has accomplished a two-fold purpose; namely, providing an outlet for lower grades of grain for the Western producer and providing a cheaper source of supply for the livestock and dairy interests in Nova Scotia. The first full cargoes of Canadian grain ever received in Halifax from Fort William and Port Arthur arrived during the summer of 1932 and totalled approximately 300,000 bus. From information received by the harbor authorities, it is understood that these shipments have been satisfactory in every way and there is every reason to anticipate that this quantity will materially increase during the summer of 1933.

Confident of Future

The Halifax Harbor Commissioners have made an intensive study of the possibilities of the Port of Halifax as a grain exporting port and are now confident that Halifax is rapidly approaching the stage of development where the volumes of export grain moving through the port will be comparable with any other North Atlantic port. This development may be precipitated by the present restrictions on grain shipments to the United Kingdom under the terms of the treaties arising out of the Imperial Economic Conference. In any event, the facilities at the Port of Halifax have been developed and are being operated with the maximum amount of efficiency, irrespective of what development may take place with regard to governmental restrictions.

The movement of bulk grain is closely interlocked with the movement of grain and grain products in bags and further marked progress has been made at the Port of Halifax in dealing with the problem of handling grain and grain products in bags. Every possible means has been taken to co-operate with distributors of this class of traffic with remarkable results in increased business through the port.

After a complete study of the problem, the controlling factor appeared to be the provision of ample warehousing facilities both for export and domestic trade. A warehouse was provided with approximately 140,000 square feet of storage area. This warehouse came into operation in the fall of 1931. During the past year, the volume of traffic increased beyond the expectations of the harbor authorities. In operating the warehouse, every precaution has been taken to provide efficient service and the response on the part of the Canadian trade in the utilization of this facility has been gratifying.

New Movement Instituted

A further development during the past year in the utilization of the Port of Halifax has been the movement of grain and grain products by water from the Great Lakes to Halifax for re-export. History was made at the port last summer when a full cargo of grain products arrived for transshipment to Newfoundland and the West Indies. Further parcels followed this initial shipment and the establishment of Halifax as a transshipping point is now a fact.

An All-Year Port

An impression that has gained a widespread circulation is that Halifax is a "winter" port.

It is totally unfair to leave the impression that the port is not functioning during the summer months simply because the trans-Atlantic business from the interior is largely diverted to the St. Lawrence River. As a matter of fact, the minute navigation opens on the St. Lawrence there is an ever increasing volume of traffic between the Port of Halifax and the Great Lakes. There is also a heavy movement of traffic which is rapidly increasing between Newfoundland and the West Indies, transshipped via Halifax. Other classes of transshipment business are rapidly increasing. Also, there is a large movement of crude oil from South America, raw sugar from the West Indies, Australia, South Africa, etc., moving through the Port of Halifax during the summer months.

In addition to this, Halifax has become a very popular point for pleasure cruises and it is not an unusual thing in the middle of the summer to see five or six giant liners in Halifax representing practically every well-known steamship company operating in the passenger service in the North Atlantic.

Without a full knowledge of the activities of the Port of Halifax during the twelve months of the year, it is easy to understand how the term "winter port" has been erroneously applied. However, it must be remembered that Halifax is the only year-round port yet developed in Eastern Canada that is capable of handling the largest vessels afloat or under construction at the present time.

As indicative of the fact that where trans-Atlantic traffic may fall off during the summer months, it is nevertheless replaced by other classes of traffic, the following is a statement of the cargo tonnage moving inward and outward through the Port of Halifax during 1931 and 1932, by months:

(Tons 2,000 lbs.)

Month:	1932 (Tons)	1931 (Tons)
January	172,947	158,792
February	130,282	130,852
March	137,842	151,776
April	128,235	159,834
May	116,984	106,943
June	124,316	148,940
July	119,287	127,300
August	110,203	74,726
September	119,352	134,332
October	82,840	113,141
November	97,182	122,372
December	118,163	157,333
Totals	1,458,083	1,586,841

The above statement clearly indicates that the Port of Halifax maintains a degree of traffic density throughout the twelve months of the year which compares favorably with any other port.

Saint John Harbor Commissioners, as in the case of Montreal, report a large increase in imports of coal from Britain. Previous to 1932 there was only one berth in the port equipped with track at which coal could be unloaded direct from the vessel on to railway cars. To meet this difficulty the commissioners laid a track at a second berth, which, since completion, has been in almost continuous use. New business and new industries for the Port of Saint John have been among the main efforts of the Harbor Commissioners, and during 1932 negotiations were started with a large oil company with a view to establishing a refinery, which are still proceeding. In 1932 the total tonnage of the port amounted to 1,101,701, compared with 1,280,677 in 1931.

Traffic in 1933

For the first five months of 1933 exports from the Port of Saint John exceeded those of the same period last year by a considerable margin, while imports were slightly lower. Exports until May 31 this year were 452,398 tons and for the same months of 1932, 353,502 tons, a gain of 98,896 tons.

Imports were down 5,485 tons, this year's total being 254,573 tons and last year's 260,058 tons. The combined figures show 93,411 tons more for this year, 706,971 tons compared with 613,560 tons in 1932.

The Saint John port authorities have not spared any efforts in increasing traffic through the port or in creating adequate facilities to handle new business. The progress of the port was temporarily stopped through a disastrous fire on the West Side. Speedy measures were taken to restore service. Temporary arrangements were made to handle the traffic while the new docks and facilities were under construction. This work is now practically completed and the port has as fine equipment as will be found in any Atlantic port.

Secure More Shipping

The Port of Saint John has more shipping available than for many years. There are 26 recognized shipping lines operating at Saint John. The Cunard Line, as a definite outcome of the Imperial conference and the increase in Imperial shipments expected, transferred their A class boats from New York to Saint John and the Cairn Line from Portland to Saint John. The grain shipments are steadily increasing, due to the abundance of space on the liners, and at least one line has put on extra boats for the cattle exports.

In the reverse Empire goods are coming through the Port of Saint John because of the preference being operative by the direct route and the discount of ten per cent in duty payable on all goods coming through Canadian ports. As Empire trade grows return cargoes both ways will cut the cost of transportation, enabling Empire imports to come in more cheaply and Canadian products reach the world's markets at lower cost. Scotch anthracite is coming in by the shipload to replace American anthracite. When the readjustment of trade lines to the East and West route has progressed still further, Canada's national ports will be able to handle Canadian exports and imports even more expeditiously and at lower cost.

Develop Dock Facilities

Docking facilities have been developed by the commission on both the east and west sides of the harbor and on the east shore of Courtenay Bay. A new development on the west side is at present under construction. On the east side a new development is projected to accommodate all coastwise services at one central location close to the railway station. The west side of the harbor is served by the Canadian Pacific Railway, and the east side by the Canadian National Railways, arrangements for transfer from one line to the other making it possible to ship from both sides of the harbor by either line.

The west side of the harbor has recently been partially reconstructed to replace facilities destroyed by fire. These new facilities provide seven deep water berths. Six of these berths are equipped with modern steel transit sheds and grain shipping galleries and the seventh with a heated frost-proof warehouse of semi-fireproof construction, the temperature of which is controlled thermostatically. Grain is shipped through the 1,000,000 bushel Canadian Pacific Railway elevator. In addition to this the Canadian Pacific Railway Co. has built a modern cattle shed which provides first class facilities for handling cattle shipments. Besides the seven berths which have been reconstructed, four other deep-water berths, destroyed by fire, will be reconstructed in the near future.

The new west side development contemplates five deep-water berths and a 1,500,000 bushel grain elevator with provision for extension to 3,000,000 bushels, with grain shipping galleries on every berth. The portion at present under construction includes the above mentioned elevator, two 700 foot berths and one 856 foot berth equipped with steel transit sheds and grain shipping galleries.

Good Grain Facilities

With the completion of the new Harbor Commission elevator the grain handling facilities on the west side will be of the highest order. It will be possible to transfer grain from one elevator to the other, and to ship grain from either elevator to any grain berth on the west side.

There are six deep-water berths on the east side of the harbor, one of these accommodating the Canadian Pacific service to Digby, N.S., a second, the Eastern Steamship Lines service to Boston, and the remaining four affording accommodation for ocean service. Two of these berths are equipped with grain shipping galleries, the grain being shipped through the 500,000 bushel Canadian National elevator. Several private wharves are operated on the east side, handling mostly coastwise traffic.

The private wharves are operated on the east shore of Courtenay Bay for the handling of oil and fertilizers.

Maritime Building Compares Favorably

Building permits issued in the principal cites of the Maritime Provinces during May, 1933, had a value of $221,610. No permits were issued in Prince Edward Island. Nova Scotia reported new building to the value of $156,120, while New Brunswick reported $62,490.

The value of new building this year is running well behind 1932 returns, but is still above the average recorded for the Dominion which shows a drop of slightly better than 50 per cent.

In May, 1932, the three Atlantic Provinces issued building permits to the value of $398,958, apportioned as follows: Prince Edward Island, $5,500; Nova Scotia, $312,880; and New Brunswick, $80,578.

MARITIME BUSINESS SHOWS IMPROVEMENT

(Continued from page 13)

Statistics from returns supplied by seven cities located in the three provinces.

Electric energy generated by the central electric stations is regarded as an excellent indicator of domestic and industrial demand for power. Owing to the marked activity in recent years in the development of power plants, this factor is given special treatment for the purpose of eliminating the long-term trend.

Employment Figures

Trend of activity of the Maritimes' industrial and trading establishments is measured by the inclusion of an index of employment based on returns from all firms employing fiften persons or more, this index having the greatest individual weight in the group. The indices relate to conditions at the first of the month and in order to bring the business index up to date as far as possible, the employment index of the first of the following month is used in the general compilation of any given month. For example, the index of employment for June 1 was used in the compilation of the business index for May.

Considerable weight is given in the general compilation to an index based on bank debits as compiled by the Canadian Bankers' Association. Data are available from Halifax, Saint John and Moncton, the clearing centres of the three provinces and show all financial transfers by cheque whether against notice or demand deposits. This index, therefore, furnishes an excellent index of general business activity.

Sales of ordinary life insurance indicate the ebb and flow of purchasing power and are regarded as significant of general welfare. These are represented by the sales figures compiled monthly by the Life Insurance Research Bureau of Hartford, Conn.

Additional Factors

The above-mentioned six factors are available for all the economic areas of Canada and are used in the compilation of indices for each area. In the case of the Maritimes, however, it was considered advisable to extend the survey to include several factors which are more or less special to the area. These factors include the value of imports of merchandise and the exports of Canadian produce through Maritime ports. The tonnage of vessels clearing from Saint John and Halifax is the final factor used in this connection. In view of the recent expansion in trade, especially during the winter season, it is fitting that these factors should exert their influence on the trend of the business index.

Seasonal fluctuation of the indices is eliminated by dividing by constants established by computation from the original data over a number of years. The result is that the fluctuations in the index tend to measure broad cyclical movements rather than seasonal influences recurring normally from year to year.

On 1926 Base

The adjusted data are then expressed as a percentage of the monthly average for 1926, which is regarded as exemplifying normal conditions better than any other year in the post-war period.

Weighting of the component factors is achieved by according to each factor its value in contributing to the business index. Thus, factors with wide fluctuation are given a relatively low weight and vica versa. Factors and their weights are as follows:

Factors Used in Maritime Index

	Weight
Contracts awarded	2.7
Building permits	3.4
Electric output	18.1
Employment	39.7
Bank debits	14.4
Sales life insurance	8.3
Exports, Canadian produce through Maritime Ports	5.4
Imports, merchandise through Maritime Ports	4.0
Tonnage, vessels cleared, Saint John and Halifax	4.0
	100.0

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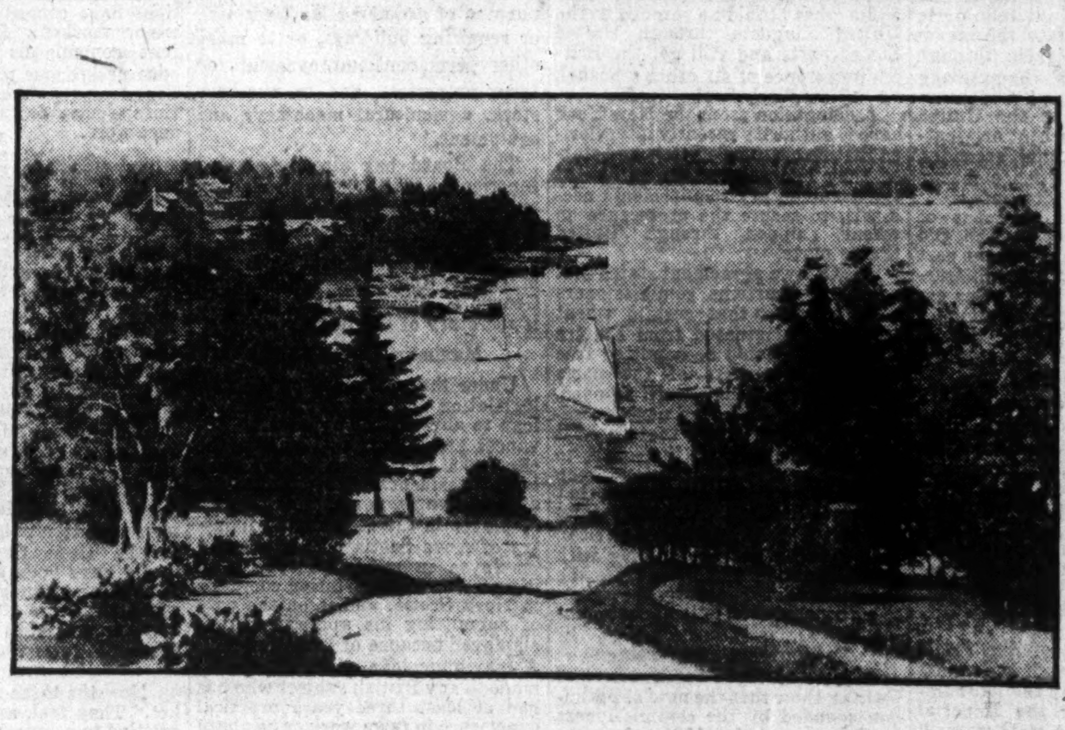

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Literature supplied on request

GOVERNMENT OF NOVA SCOTIA

HALIFAX, NOVA SCOTIA

TOURIST TRADE TO NOVA SCOTIA HOLDS UP WELL

Over $5,500,000 Left in Province By Visitors Last Year

Tourist traffic in Nova Scotia in 1932 did not diminish so much in volume as did some other lines of industry. Official returns show that 221,131 tourists visited the province between the period from May 15 to October 15; a decrease of only 13 per cent as compared with the preceding year.

Practically every state in the United States and every province in Canada was represented by visitors to the province last year. So far as the United States is concerned, the largest influx was from the New England States and from New York, New Jersey, Pennsylvania, Ohio and Michigan.

The number of motor cars entering the province last year from both Ontario and Quebec was greater than in 1931. Last year 1,814 cars from central Canada entered the province. This compared with 1,587 in the previous year. This is taken as a reflection of the exchange situation which has diverted a number of Canadian tourists away from American resorts and toward the Maritime provinces.

Value Trade at $5,500,000

It is difficult to determine the value of the tourist industry to Nova Scotia, inasmuch as any figure on the value of this trade must necessarily be an estimate. Few countries find it possible to collect actual figures of expenditures by visitors that can be regarded as reliable. Estimates last year for Nova Scotia run all the way from $25 to $70 per person. If the lower figure is taken, regarded as somewhat ultra-conservative, the value of the tourist trade to Nova Scotia in 1932 was $5,528,275. Even this figure would place the tourist trade among the province's major industries.

The encouragement of tourist traffic through Nova Scotia was undertaken by the provincial government in 1925. Prior to that time the work of attracting tourists to the province was undertaken by a few municipalities and other associations. There was no collective effort until the Government formed a bureau to develop this important source of revenue.

Conduct Aggressive Campaigns

Since 1925 an aggressive campaign has been conducted by the Nova Scotia Government to enlarge the trade. Numerous advertising media have been systematically used. Photographs and millions of pieces of attractive and informative literature have been placed in the hands of prospective tourists. Valuable personal contacts have been made with travel bureaux and motor clubs and sport organizations.

This work has been implemented by the active campaign of development work carried out by the Provincial department of Highways. It is conceded that the growth of the tourist trade during recent years has been due principally to the development of public highways. There is significance in the fact that, while in 1932 less than 15 per cent of summer visitors entered the province in or with automobiles; in 1932 more than 61 per cent of the tourists came with cars. Improved highways therefore, are regarded as having made possible a substantial volume of tourist traffic.

Apple Exports Easier

Apple shipments from Halifax for the season of 1932-33 totalled 741,855 barrels, according to the report of Furness, Withy and Company. Last season's total shipments were 933,955 barrels, the report indicates.

Cultivate More Land

More ground was broken and more acreage sown to crops in the Province of Nova Scotia this year than ever before in its history, according to D. R. Kelly, district agricultural representative.

Prosperity

Returns - 1933

The movement towards better times may be slow, but it seems to us that five years from now, when we look back on the conditions which have existed for three years, it will show that the beginning of better volume, better profits, and generally better conditions was definitely indicated during 1933.

Now is the time to put forward our best efforts to capitalize these feelings of optimism, and get in step with the improvement as it gains momentum.

With the good will which it has been our fortune to enjoy over a period of 123 years in the Maritime Provinces, we have witnessed many previous depressions, and have always come through, as we will this time, to go on to bigger development than anything in the past.

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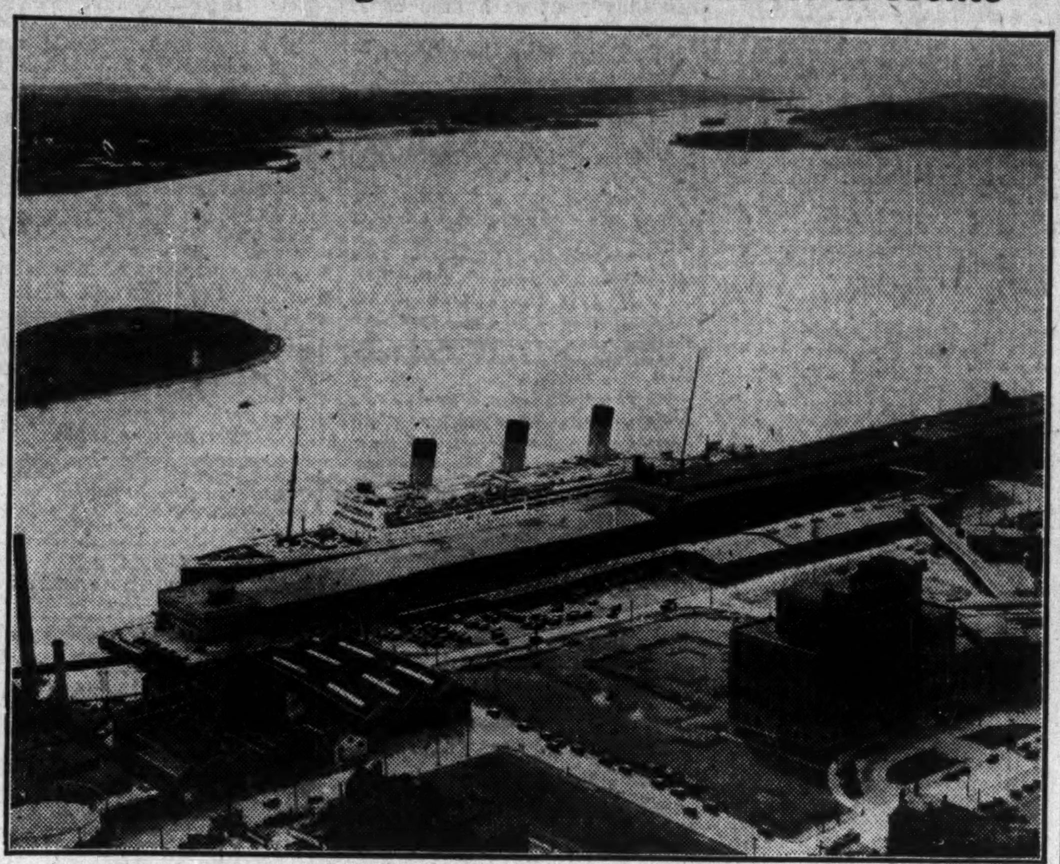


Aerial view of the central wharfage facilities of the Halifax Harbor Commission. Tied up at the dock is the S.S. Majestic, one of the largest Atlantic passenger vessels. The tall building in the lower foreground is the Nova Scotian Hotel, owned and operated by the Canadian National Railways, while the three-story building at the end of the dock is the head office of the harbor commission.

Dying Lumber Industry In Maritime Provinces Takes New Lease of Life

Russian Embargo, Exchange and Preference Are Hopeful Signs

PRODUCTION LOW

Observers Anticipate Increased Market in Britain —Pulp Industry Helps Push Sales Efforts

Low exchange rates and keen competition from the north of Europe during the last year or two made it extremely difficult for lumber operators in the Maritime Provinces to conduct their business on a profitable basis. Few companies, in fact, were able to secure sufficient income from the sale of their products to cover expenditures. They carried on, however, in the hope of a turn for the better and to that end kept their organizations intact.

In years past the Maritime lumber operators looked to the United States and Great Britain as the principal outlets for their products. Increased tariffs and keener competition from the Pacific Coast mills throttled the market in the eastern United States for Maritime lumber. The British market dwindled to small proportions on account of the exchange situation and the flooding of that market by importations from the northern European countries and Russia.

New Optimism Seen

It is no exaggeration to say that the lumber industry in the Maritimes was dying out and until the middle of last year there was little hope of even a moderate improvement in conditions.

Since that time, however, new factors have entered into the situation giving rise to the hope that the Maritime lumber industry will secure a larger share of prosperity than has been its lot for several years past.

Favorable Developments

The first development took place about this time last year when, as a result of the Imperial Economic Conference at Ottawa, Canadian lumber producers were granted a 10 per cent preference in the United Kingdom market. Then came the Russian embargo which caused the British importers to look elsewhere for their supplies. Further, thorough investigations were made as to the possibilities of marketing Canadian lumber in the United Kingdom.

These investigations brought out a number of important points which are expected to result in the stimulation of the lumber trade between Canada and the Old Country. As a result of his survey of the British market, W. E. Golding, Saint John, says that it is of the greatest importance for the shipper on this side to send forth the specifications and qualities that he has agreed to, if possible doing a little better than what he promises. It is also essential that Canadian shippers should work through reliable timber brokers who are familiar with the shipping conditions at the ports of loading and of discharge, and who can act for the shipper in case difficulty arises. In Mr. Golding's opinion it is a serious mistake for the Canadian manufacturer to attempt selling direct to the British market.

Look for Increase

It is expected that the Canadian lumber trade with Great Britain during the current year will increase approximately 50 to 100 per cent over 1932. If conditions continue as they are at present, Mr. Golding anticipates that Canadian shippers can double the quantity in 1934.

The bearing out of these forecasts will make a tremendous difference in the welfare of the lumber industry in Nova Scotia and New Brunswick. As already pointed out the industry has experienced great difficulties in carrying on. Woods operations have been restricted and the size of the cut has diminished to the proportions prevailing at the beginning of the century. If the export trade picks up in the manner anticipated, woods and mill operations in the Maritimes will show a very marked improvement over the next twelve months.

N. B. Ranks Fourth

New Brunswick ranks fourth among the provinces of the Dominion in timber production. Seventy per cent of its total area, or twelve and a half million acres, is forested. Of the latter total, seven and one half million acres are owned and administered by the Crown while the balance is held by pricate interests.

The lumber industry ranks next to agriculture in value and importance of products. In normal years New Brunswick's 200 sawmills manufacture sawed wood to the extent of 400,000,000 board feet of lumber, 260,000,000 feet of lathe and 240,000,000 of shingles; also phone and power transmission poles, posts, mine props etc.

Production by the industry during recent years has rapidly declined due to general economic conditions. Production during the past year dropped over 70 per cent from that of normal years.

New Brunswick's timber cut during the 1931-32 logging season amounted to around 114,000,000 feet, including saw logs, pulpwood, ties, etc. This was 10 per cent greater than in the preceding year when the amount cut was in the vicinity of 104,000,000 feet. In order to convey some idea of the sharp restriction in lumber operations in New Brunswick of late, it might be pointed out that two years ago the lumber cut in New Brunswick was 224,000,000 feet.

As far as the 1932-33 cut is concerned, preliminary information leads to the belief that the cut from Crown lands, including poles, pulpwood, railway ties, say logs, etc., will not amount to more than 70,000,000 feet, which is approximately the same as the amount cut 39 years ago. This estimated cut is 40 per cent less than the preceding year's cut and only 27 per cent of what is regarded as a normal year's outut. Every effort has been made to stimulate operations with a view to increasing employment for the unemployed. Stumpage rates were further reduced to $1 per thousand for saw logs, both hardwood and softwood, and to $2 per thousand for pulpwood. Other rates were reduced one-half those in effect in 1929-30. It is known that the reduction has made possible operations that otherwise would not have taken place.

Nova Scotia Affected

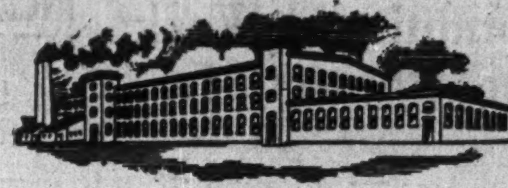
Forest production of Nova Scotia declined during 1932. The total output decreased from that of 1931 by 29.9 per cent. Lumber production amounted to 99,322,000 feet board measure, compared with 166,037,463 feet board measure in the previous year.

Approximately the same number of mills were in operation as in 1931, 624 returning reports as against 645 in 1931. Most of the mills, however, were only operating half-time. Many carried on operations at a loss and only in order to give work to their employees and to keep their organization intact.

Pig Iron Output Scores Increase

Pig iron production in Nova Scotia for the first two months of this year was equivalent to about two-thirds of all that produced in 1932. The output for January and February, 1933, amounted to 22,000 tons, while for all of 1932 production amounted to what was probably an all-time low of 30,697 tons.

Due to the receipt of a large steel rail order for the Canadian National Railways and a number of smaller contracts, prospects for the primary iron and steel industry in Nova Scotia are regarded as fairly promising for 1933. It is reported that the large iron and steel plant of the Dominion Steel and Coal Corp. at Sydney has sufficient business on hand to maintain operations at about 60 per cent of capacity during the balance of the year. This is a marked improvement over 1932 when the plant was idle for the greater part of the year.



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Sales Profit and Volume Maintained During Depression

Spending money to make money and being alert to market needs are responsible for the Eastern Hat & Cap Co.'s maintaining sales volume and satisfactory profits in the depression years, as well as indicating how a Maritime industry can successfully compete in the national market.

In the past six years the company has installed nearly half a million dollars worth of new machinery, including recent importation from England, Italy, Germany and United States, together with Canadian machinery, for the making of fur hats—machinery for the cutting and processing of their own furs, Canadian fur being used for the purpose. These machines are the first in Canada.

With recent economic conditions affecting the cap business adversely, the decision to manufacture less expensive hats on a large scale is indicative of methods adopted to meet market conditions. While wool hats have been made for some time, entry into the fur hat field necessitated a training of personnel and so Charles Lewis, junior partner of the firm, spent 14 months abroad actually visiting and working in the various hat plants in Europe.

A weatherizing process has recently been developed and patented by the company which prevents a hat from shrinking or losing shape in rain, sleet or snow.

The company also makes men's shirts, shorts and pyjamas, and has recently acquired the Canadian rights for Ripple Sheen cloth, which, first introduced to the United States, has been a successful competitor to the popular broadcloth.

Hosiery is another big item in the company's production, with 40,000 pairs a day, the record. The company is completely equipped for the making of circular and full-fashioned hosiery.

Interest in the progress of the Eastern Hat & Cap Co. is of moment to investors because the active head of the company, Frank Lewis, is the recently appointed president of Moirs Ltd. in Halifax.

If you have anything to say to the merchants of the Maritime Provinces, particularly the General Storekeepers, the most effective advertising medium through which to say it is the extraordinarily popular

MARITIME MERCHANT

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Beer Replacing Liquor Among Nova Scotians

Compared with spirituous liquors, beers are becoming more popular—or relatively less unpopular, to be exact—in Nova Scotia, according to figures included in the third annual report of the Nova Scotia Liquor Commission, which has been presented to the Provincial Legislature by Hon. G. S. Harrington, Premier.

Liquor sales in general show a decided slump for the last fiscal year in the province, the average decrease being 24.02 per cent. The lessened consumption of spirits, both in monetary value and gallons, is more than a third as compared with the previous year's figures. Beer-drinkers' appetites seem to have been less easily satisfied, for there was a drop of only 17.6 per cent in the value of the beers sold by the commission during the year, and about 15 per cent in the quantity consumed as compared with consumption during the previous twelve months.

19,894 Customers on List

The registered individuals who consumed the 1,272,345 gallons of all kinds of liquors sold by the commission during the year numbered 19,894. Residents of the province comprised 16,687 of this number, and 3,207 permits were issued to non-residents.

The forty-five liquor stores conducted by the commission sold liquor to the value of $3,765,914 during the year. The gross trading profit is reported to have been $1,172,682 and the net trading profit, $720,440.

The commission's other revenue amounted to $17,325, but from its nominal profits the commission had to pay $245,064 toward maintenance of the Nova Scotia Police and Royal Canadian Mounted Police, and had, therefore, a net balance of $492,700 to turn into the Provincial Government's coffers.

Classified sales and decreases for the year were:

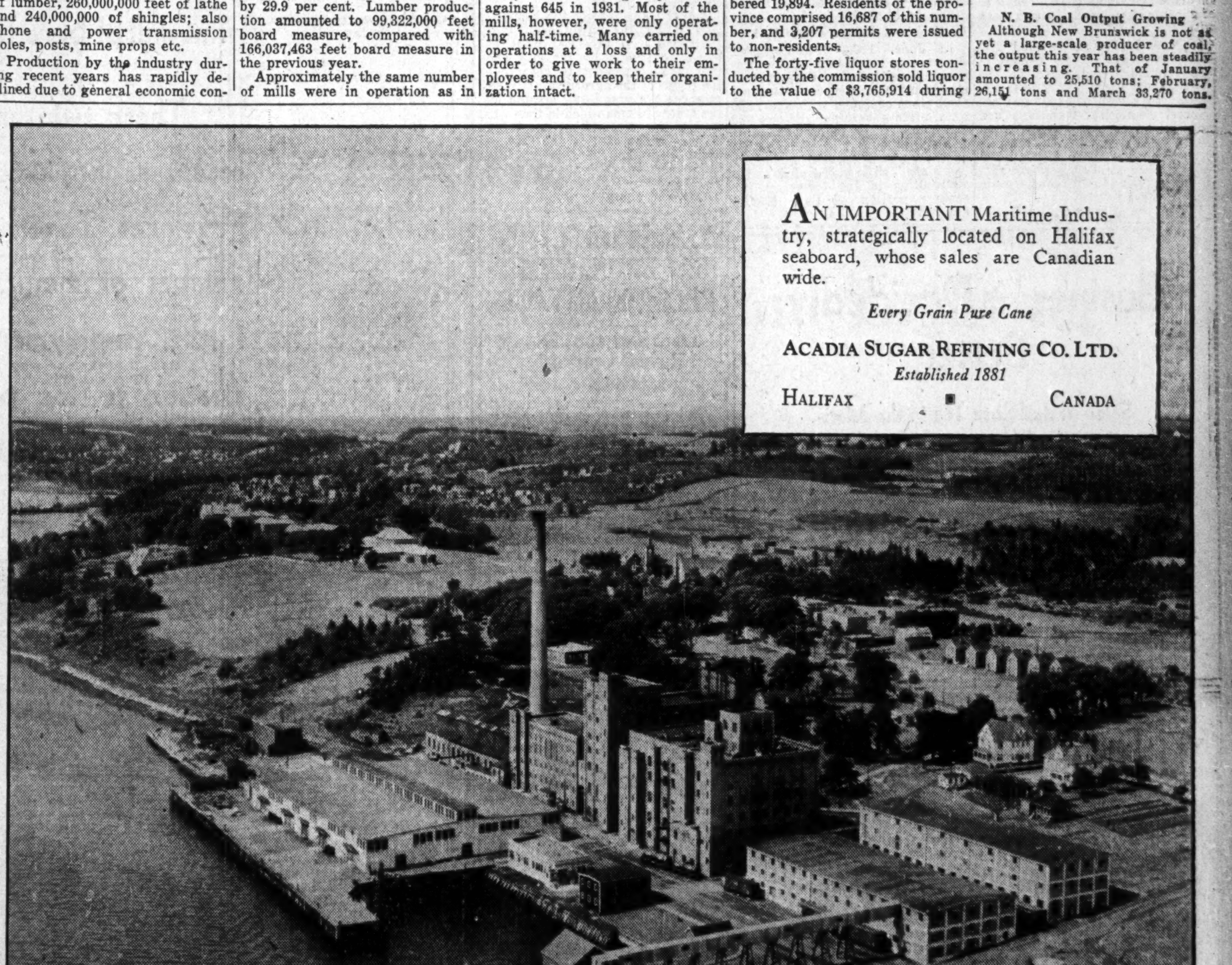
	Sales $	Decreases $
Alcohol	8,441	1,727
Spirits	1,270,615	837,813
Wines	364,775	96,904
Beers	2,122,676	454,751
Miscellaneous	602	(inc.) 71
	3,767,109	1,191,123

Lobster Trade Important

More than 1,600,000 pounds of live lobsters were shipped to United States markets in 1932 by Eastern Nova Scotia fishermen by means of the lobster transportation service arranged by the Dominion Department of Fisheries. Trade in live lobsters from different parts of the Maritime Provinces has become of increasing importance of late years.

N. B. Coal Output Growing

Although New Brunswick is not as yet a large-scale producer of coal, the output this year has been steadily increasing. That of January amounted to 25,510 tons; February, 26,151 tons and March 33,270 tons.



AN IMPORTANT Maritime Industry, strategically located on Halifax seaboard, whose sales are Canadian wide.

Every Grain Pure Cane

ACADIA SUGAR REFINING CO. LTD.

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HALIFAX ■ CANADA

ROYAL ACADIA SUGAR

Nova Scotia's Utilities Devote Promotional Work To Building Domestic Load

Electric Energy Generated in 1932 Approximated Returns For 1931

INDUSTRY TAKES LESS

Public and Privately-owned Operators Report Sales on Satisfactory Basis

Faced with decreasing export markets and consequently a lowering in the industrial power demand, the power industry of Nova Scotia over the past year has devoted its energies to the development of the domestic load. The value of this step is seen in the fact that in the past year the total electric energy delivered in the province approximated that for the record year of 1931 and exceeded by about 10 per cent that for any other year.

The power utility industry in Nova Scotia is roughly divided into two groups. On the one hand there is the government-owned Nova Scotia Power Commission, and, on the other, a number of important privately-operated concerns.

Public System Expands

Since its inception in 1929 the Nova Scotia Power Commission has expanded to such an extent that it now ranks thirteenth among the great systems generating and transmitting power in Canada.

Over 50 per cent of all electric power and energy used in Nova Scotia is produced by the commission. Of the public utility load, which excludes companies generating power for private use, the commission supplies about 79 per cent.

At the beginning of 1926, the commission had three systems in operation—St. Margaret's Bay, Sheet Harbor and Mushamush. These systems comprised five hydro-electric developments with a total installed turbine capacity of 23,290 h.p. in ten generating units. Since that date five new systems have been added — Tusket, Roseway, Mersey, Markland and Antigonish.

In these eight systems the commission has in service thirteen hydro-electric developments in which is installed 25 generating units with a combined turbine capacity of 61,330 h.p.

Power Deliveries Gain

The rapid expansion of the Power Commission during the last seven years is well illustrated by a consideration of the annual delivery of electric power and energy. At the beginning of the period it amounted to 34,200,000 kw.h. and 148,480,170 kw.h. in 1932. The number of wholesale power customers increased from 5 to 17 and the number of retail rural customers from 135 to 768.

New transmission lines have been steadily reaching out to supply suburban and rural districts that hitherto have been without a stable supply of electric power and energy. In 1926 the commission had approximately 94 miles of transmission and distribution lines in service. Extensions since then have brought the total up to approximately 356 miles. This does not include lines under construction which approximate another 32 miles.

One of the most important factors in the work of the Nova Scotia Power Commission has been the reduction in the average cost of electrical energy delivered. Over the seven-year period a reduction of 37 per cent—or from 1.183 cents to .742 cents per kw.h. — has been effected.

N. S. Light Cuts Divided

The principal of the privately-owned utility companies is the Nova Scotia Light and Power Co. which supplies utility services (power, electricity, tramways and gas) in the greater Halifax area. This company, in addition, controls Avon River Power Co. and a number of other smaller systems providing service to a considerable area in the province.

During the past year Nova Scotia Light and Power's tramway department recorded a decrease of 10.6 per cent in the number of passengers carried. The sales of electric energy were less in the aggregate, but residential consumption increased. The volume of gas sold during the year recorded an increase.

Gross earnings of $1,850,039 were roughly $46,000 less than in the preceding year. After providing for all senior charges the amount available for dividends on the ordinary stock was somewhat less than requirements. Consequently the directors have reduced the dividend on the ordinary stock from $4 to $3 a share.

Avon Power Grows

Avon River Power Co., subsidiary of Nova Scotia Power, has experienced material growth since the beginning of 1926. At that time the company owned two hydro-electric developments—one on the Avon River and the other on the Gaspereau River. These plants had a combined turbine capacity of 3,125 h.p. and supplied Windsor, Hantsport and a number of small villages in the surrounding territory. During the previous year the company had generated 2,875,000 kw.h.

Transmission lines of Avon River Power today spread throughout the Annapolis Valley from Windsor to Middleton and from Waverley to Brookfield. In addition a portion of the electrical energy demand of the City of Halifax is supplied by a line from the Avon River developments.

Six hydro-electric stations are now being operated by the company. These stations have installed 11,163 h.p. and in the past year turned out more than 30,000,000 kw.h. of electrical energy.

Canada Electric Develops

Canada Electric Co. at the beginning of 1926 operated steam plants at Amherst and Chignecto which supplied Amherst, Chignecto, Nappan, Maccan and other points in the territory. The combined capacity of the two plants was 3,030 h.p. In 1926 a new plant was built at Harrison Lake near Maccan. This plant was recently enlarged to a capacity of 18,520 h.p.

Seven years ago the total amount of electric energy delivered by Canada Electric Co. amounted to 2,880,000 kwh At the end of 1931 it had grown to 14,380,000 kw.h.

Seaboard Power Does Well

In June, 1930, the Seaboard Power Co., subsidiary of the Dominion Steel and Coal Corp., placed in operation a modern pulverized steel plant equipped with one 7,500 k.v.a. turbo-generators and two 922 h.p. boilers. The major portion of this plant's output is taken by the parent corporation, the remainder being supplied to public utilities for distribution in the towns in the eastern portion of Cape Breton County.

Mersey Paper Adds Wealth to Province

What a pulp and paper mill means in dollars and cents in the district in which it is located is to be seen in figures released by the Mersey Paper Co. Since 1930, when the mill first went into operation the company has paid out within the province the sum of $2,500,000 in wages. For pulpwood, Mersey Paper has expended $3,000,000. Over $500,000 worth of Nova Scotia coal has been purchased.

The operation of Mersey Paper's mill at Liverpool, N.S., apart altogether from the money spent upon the construction of the plant, has involved the large sum of $12,000,000 since 1930. Every dollar of this sum was spent in Nova Scotia with the exception of $135,000 for sulphur.

N. B. POWER BOARD INCREASE OUTPUT DURING PAST YEAR

Low Rate on Saint John Deliveries Regarded as Detriment

New Brunswick Electric Power Commission increased its deliveries of electric energy by 5,856,000 kw.h. during the past year, due to the addition of new loads at Fredericton, Marysville and the Minto-Chipman district, according to the report of Hon. E. A. Reilly, chairman of the commission.

The amount of power generated at the switchboards was 37,503,000 kw.h. compared with 28,676,000 kw.h. for the year before, or an increase of 8,827,000 kw.h. After allowing for lines and transformer losses, however, the amount actually delivered to the distributing systems was 32,360,000 kw.h. as against 26,504,000 kw.h. for 1931, an increase of $5,856,000 kw.h.

Lower Industrial Load

Depressed industrial conditions resulted in a falling off in demand from power consumers. This effect became apparent in 1932 for the first time. Ordinarily, under normal conditions, the demand from this source would increase about 10 per cent a year. Last year, however, industrial consumption was at a standstill compared with the previous year. Practically all of the increase was due to the addition of the new loads at the points mentioned above.

Gross revenues of the commission last year totalled $658,797. This compared with $548,095 in 1931, an increase of $110,000.

System Shows Expansion

At the end of last year the commission was operating about 579 miles of line through rural districts and 235 miles of high voltage transmission line, making a total of 814 miles. Customers served direct by the commission now number 5,185. In addition there are 17,470 consumers supplied by the commission through other districts—Fredericton, Marysville, Newcastle, Sussez and Saint John. Meters connected to the commission's lines number 22,655 comprising 65 per cent of all the meters in the province.

New Plant Successful

Up to about 18 months ago the commission had been operating without sufficient generating capacity to fully develop the market served by them or to expand into new markets. In order to remedy this condition, the commission started the construction of the Grand Lake steam electric plant in the Minto Coal area about two years ago.

This plant was connected by high voltage transmission lines to Fredericton and Marysville and to the Musquash system at Moncton, thereby enabling the two plants of the commission, at Musquash and Grand Lake, to operate in parallel, the one helping the other.

Under actual operating conditions, the Grand Lake plant has come up to expectations and the cost of producing power is even less than was anticipated when it was designed and constructed.

Saint John Rate Problem

One of the principal problems facing the New Brunswick Power commission has to do with an old contract under which the commission agreed to supply the City of Saint John with power at 1.2 cents per kilowatt hour. The cost of this power to the commission at the switchboard amounts to 1.3 cents or nearly 1.5 cents a kilowatt hour delivered in the city.

Under this contract the commission lost $46,164 during 1932. It is contended that this loss must be borne eventually by the city and that it is expedient to rearrange the terms of the agreement. Credit reserves are now being created by the other systems which in time will enable the commission to lower rates. In the case of the City of Saint John, however, deficits are being piled up which must be wiped out at some future date by an increase in charges.

COAL PRODUCTION NEW BRUNSWICK RECORDS ADVANCE

Current and 1932 Returns Reveal Upturn in Output

Coal production in New Brunswick showed a substantial increase during 1932 and the upward trend continued throughout the first quarter of the current year.

Production of coal last year totalled 169,475 tons, or an increase of 9 per cent over the amount reported in the previous year. This increase was accounted for by a better demand from the railways; use of coal in New Brunswick Power Commission's plant near Minto; and steady demand from industrial and domestic users.

Railways Big Market

The coal industry in the province now employs 850 men and the railways are absorbing about two thirds of the current production. A better product is being turned out, as the operators are using more modern screens and methods of eliminating waste materials from the coal.

Royalties received by the provincial government constitute one of the province's most important sources of revenue. As a general rule they do not vary much from year to year, but the amount received in 1932 was appreciably less due to the prevailing industrial conditions.

The gypsum industry, depending as it does almost entirely on the building trade, had a production of about one half of that reported in more normal times. Other branches of the mining industry had much the same experience, with the exception of coal mining, which as already pointed out, enjoyed a good year.

While current conditions are not favorable to more extensive exploitation of the province's mineral resources, it is interesting to note that a fair amount of prospecting and development work is being carried on throughout the province. Last year over 315 mining claims were staked and recorded.

PULP AND PAPER PLANTS ABSORB MUCH PULPWOOD

New Brunswick Mills Keep Operating, But Returns Are Low

New Brunswick's six pulp and paper mills utilized 380,287 cords of pulpwood in their operations during 1932, according to returns compiled by the provincial government. This represented a decrease of 21 per cent from the preceding year, when the amount of pulpwood used was 483,458 cords.

Of the wood manufactured last year 74,215 cords were supplied from Crown lands, the remainder being purchased by the mills from granted lands or other sources.

The unmanufactured pulpwood exported from the province amounted to 93,298 cords, a decrease of 45 per cent from the previous year.

The total amount of pulpwood manufactured in New Brunswick or exported in the raw state in 1932 totalled 473,586 cords. This was equivalent to 236,793,000 board feet. This was 181,177 cords less than the preceding year, or a drop of 27 per cent.

Reducing Wood Inventories

When considering these figures it must be borne in mind that the wood manufactured into pulp and paper in any one year is taken largely from the preceding year or two's cut. This is particularly true now that the pulp and paper companies are endeavoring to reduce their wood inventory.

An encouraging feature of pulp and paper operations in New Brunswick last year was the reopening of the Nashwaak Pulp and Paper Co.'s pulp mill at Saint John. This plant was taken over by the Port Royal Pulp and Paper Co.

Operators Have Troubles

Other extensive and more important operations are carried on by the New Brunswick International Paper Co. at Dalhousie and Fraser Cos. at their Edmundston and Athol mills. The latter found it necessary to carry out a financial reorganization owing to difficulties arising out of their large development programme, completed at a time when the pulp and paper market was not in a position to absorb the increased output.

New Brunswick International Paper's plant has been operated on a short time basis. This is common of practically all the newsprint operators in Canada and the United States.

Holds Important Place

While financial returns to the operators have not been encouraging in the last two or three years, the pulp and paper industry now plays a large part in industrial life of the province. Not only do they employ large numbers of men in the mills, but their purchase of pulpwood from independent operators and their own woods operations put large sums of money into circulation and provide employment for several thousands of workers.

Paper Industry Leads

In New Brunswick during 1931 the pulp and paper industry led all others in production with an output valued at $13,409,525 or almost 24.3 per cent of the total, according to the federal census. Sawmills followed with an output of $3,534,442, followed in order by central electric stations and fish curing and packing.

MONCTON TRAMWAYS ELECTRICITY AND GAS COMPANY LIMITED

Distributing Natural Gas and Electric Current to over 10,000 Customers in Moncton and Suburbs

Inquiries Concerning Power for Industry will have immediate attention

MONCTON NEW BRUNSWICK

A CONSTRUCTIVE FORCE IN MARITIME PROGRESS

IN THE Grand Falls power development and in the Dalhousie newsprint mill, the Maritime Provinces have their largest producer and consumer of hydro-electric power.

The Grand Falls plant, with four 20,000 horsepower generators, has a total capacity of 80,000 horsepower. The great part of this power flows over the 132,000 volt line which joins Grand Falls to the Dalhousie newsprint mill of New Brunswick International Paper Company.

These twin enterprises of power and newsprint represent a constructive force in the life of the Maritime Provinces. Together they provide employment for a large number of men; they create new wealth from which further employment results; they are a practical demonstration of the public usefulness to which the great natural resources of the Maritimes can be adapted.

Gatineau Power Company

Business is Decidedly Better

Sales of Red Rose Tea in the Maritimes in May were larger than any month within three years.

T. H. ESTABROOKS COMPANY · LIMITED

SAINT JOHN

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Leaders in the Maritimes

Wholesalers and Retailers of:

Heavy and Shelf Hardware
Paints, Oils and Glass
Sporting Goods and Auto Accessories
Silverware and Kitchenware

W. H. Thorne & Co. Ltd.

Saint John, N.B.

Maritime Industrial Enterprises Meeting Depression Problems

NOTE.—Following is a brief summary of the operations of a few of the largest industrial and financial concerns in the Maritime Provinces. Attention is also drawn to the fact that editorial reference is made to a number of other companies in general reviews, such as that on Nova Scotia utilities. In the majority of cases there is a widespread public investment interest in these enterprises.

ALTANTIC SUGAR

Two abnormal sales periods were experienced by Atlantic Sugar Refineries, operating at Saint John, N.B., during the first half of this year. The first took place a few days prior to bringing down the 1933 budget which resulted in the consuming public stocking up with supplies in anticipation of a special tax on sugar. A lull followed this buying, and in the latter part of April and early part of May another wave of buying took place, this time by the trade in anticipation of an increase in sugar prices.

Sales returns of the company for the first half of this year, accordingly, are not altogether comparable with those for the corresponding period of last year. If the demand for the next six months continues as in the first half of the year, Atlantic Sugar will be able to record a very substantial increase in business. This is rather to be doubted, chances being that the two high peaks in distribution obtained so far this year will be ironed out so that results over the full twelve months will not be materially different to those experienced in 1932.

Now Paying Dividends

Financial control of this company changed hands last year. The old shareholders were either bought out or given an exchange of security. Prior to that time the company had been showing very satisfactory earnings on its capital stock but was unable to pay dividends owing to the restrictions imposed by the trust deed of the general mortgage bonds. These conditions having been surmounted, the new owners placed the new Class A preferred stock on a regular dividend basis.

ACADIA SUGAR

Both the operating position and earning power of Acadia Sugar Refining Co. have undergone an improvement in the past 18 months. Application of the Dumping Act together with an improvement in the raw sugar market, has enabled this company, as well as other operators in the refining industry to steadily bring about an improvement in their position.

It will be recalled that following the collapse of the sugar market in 1920, Acadia Sugar received a serious set-back. Operations of the large Halifax plant were conducted on a greatly restricted basis. Through careful management, however, the company slowly rebuilt its operating and financial position.

Cleaning up Arrears

No dividends were paid on the preferred stock until the end of 1930. Regular semi-annual disbursements have been made since that time, and occasionally payment on account of arrears. At the beginning of this year the preferred stock was 20 per cent in arrears. With the continuation of present conditions it is expected that the company will be able to clean up these arrears before long.

ACADIA TRUST

Acadia Trust Co., Truro, N.S., though relatively young in years, has established for itself an important position in Maritime trust activities. At the end of last year the company had estates under administration totalling in value $5,733,349, or more than double that reported at the end of 1928. Including company assets, Acadia Trust had under administration at the end of 1932 funds totalling $6,526,248.

Earnings of the company, which are derived principally from trust deed fees, have been well maintained. Profits in 1932 amounted to $55,239, equivalent to $27.61 on the paid-up capital, on which dividends of 10 per cent are being paid.

ADMIRAL BEATTY

As hosts to a number of conventions in the first half of this year, revenues of the Admiral Beatty Hotel, of Saint John, have shown an appreciable increase over the same period last year. Among the more important conventions handled by the hotel were the Canadian Medical Association, Canadian Public Health Service Association, New Brunswick Medical Association and the Maritime Hospital Association. In all some 600 members of these different medical associations were guests of the hotel.

One of the features of the attractions which New Brunswick has to offer tourists is the vastly improved hotel accommodation which has been witnessed in recent years. With the wide gain in motor travel it has been necessary to find suitable accommodation for visitors and the increase in tourist traffic indicates that the province is not lacking in hostelries.

Have Enlarged Building

Demands made upon the Admiral Beatty Hotel necessitated construction of an additional wing and approximately $275,000 was spent on improvements and betterments. This included the building of a new seven-story wing and various structural changes in the main hotel.

The result is that the Admiral Beatty now has accommodation for 240 guests together with the usual public rooms, banquet rooms, cafeterias, stores, etc.

BATHURST PAPER

Operations of Bathurst Power and Paper Co. have been on a reduced basis for some time back due to the lowered demand for newsprint both in this country and the United States, as well as overseas. This is a situation which is common to virtually all the producers of newsprint in this country. At the moment prospects of any marked advance in consumption do not appear to be overly bright and continued low operations are to be expected, in so far as the months immediately ahead are concerned.

Faced with the prospect of low demand, the management of Bathurst some time ago decided to produce other forms of pulp products and to that end turned over one newsprint machine to the manufacture of kraft liner board. This has had an appreciable effect in improving operations and also is expected to bring about some improvement in the company's earning power.

Bathurst is one of the oldest pulp and paper operators in New Brunswick. Operations have been carried on since 1907, but public investment interest in the company did not take place until 1928.

Owns Power System

In addition to its pulp and paper plants and timber limits, Bathurst also owns and operates a hydro-electric plant at Great Falls on the Nepisiquit River in New Brunswick, with an installed capacity of 15,000 h.p. In addition the company owns or controls other power sites on the same river which are capable of developing 40,000 h.p. giving a total ultimate capacity of 55,000 h.p.

Earnings of Bathurst over the past two years have naturally been somewhat limited. The amount earned on capital stock has been negligible, but, on the other hand, the financial position of the company has been maintained in a comparatively good state of liquidity. Current assets are well in excess of current liabilities and finances of the company are such as to assure the company carrying on through the present trying period in the newsprint industry.

CONNORS BROS.

Though earnings of Connors Bros., Ltd., operating the world's largest sardine canning factory at Black's Harbor, N.B., were hampered in 1932 through exchange difficulties encountered in the wide export market served by the company, they were sufficient to cover payment of bond interest, preferred dividends, and a dividend on the 4,000 shares of no par common stock. The company does not make public its financial statement, and as yet, details of the common disbursement have not been disclosed.

The company is the largest packer of sardines on the continent, and ranks among the world leaders in this industry. Sales are made in over 100 different foreign countries. Fluctuations and currency exchange have tended to restrict profits in these markets. Domestic sales, though lower, are understood to have been relatively satisfactory.

DOMINION STEEL AND COAL

Current position of Dominion Steel and Coal Corp., controlling important iron and steel manufacturing plants, coal mines, and iron ore deposits in the Maritimes and Newfoundland, is better than it has been for many months past. Demand for coal has been on an improved scale and production shows an upward trend. The steel plant at Sydney recently received a large order for steel rails, which, together with other small contracts on hand, will keep the plant operating at about 60 per cent of capacity until the balance of the year. Outlook for other departments of the company is fairly promising and operating results of the organization as a whole should be better in 1933 than was the case in 1932.

Faced With Problems

Although the situation at present is more encouraging, Dominion Steel and Coal is faced with a number of major problems. When the old British Empire Steel Corp. was reorganized and the assets taken over by Dosco, the security values were severely deflated and it was anticipated that the new organization would be able to carry on successfully. Results since that time do not appear to bear out the earlier forecasts and there is a growing doubt as to the ability of the company to continue without further readjustments.

Despite the tremendous deflation of capital structure which was undertaken when Besco was reorganized in 1930, conditions in the past two years—1931 and 1932—brought many problems to the new company. Every division of its activities was hard hit by the industrial situation. The steel industry operated at a level unheard of in many years. Coincident with the drop in steel production, the coal mining activity declined and the hoist from the company's mines was down appreciably from that reported in normal years.

Subsidiary in Receivership

The first serious blow to the company's position took place early in the year when its subsidiary, Nova Scotia Steel and Coal Co. found itself unable to meet interest charges on its funded debt and a receivership was declared. Later, a liquidator was appointed.

On March 1 last Dominion Steel and Coal Corp. failed to meet interest charges on its own debentures. Other subsidiaries have been able to meet their interest charges.

May Make Adjustments

It is currently reported that tentative plans have been drawn up regarding the future of Dominion Steel and Coal Corp. The situation is being discussed with British stockholders and no details, official or otherwise, have been made public in respect to the proposed plan. There is some talk of a break-up in the present corporate structure. Control of Nova Scotia Steel and Coal Co. already has passed out of the corporation's hands. As long as the obligations of the corporation's other subsidiaries are being met, however, it is unlikely that any change will be made. It may be that the upturn in business this year marks the turning point for the company, in which event Dominion Steel and Coal would be able to hold its properties together without having to undergo the necessity of another reorganization.

ENAMEL & HEATING

Enamel and Heating Products Ltd., with plants at Amherst and Sackville in the Maritimes and Victoria on the West Coast, is one of the principal Canadian companies in this field of operations.

Operations have naturally been somewhat affected by prevailing industrial conditions, which in turn are reflected in operating income. Though an operating loss was reported last year, the management undertook to bring about a strengthening of the company's financial position.

Develop New Line

One of the most important developments in connection with the company during 1932 was the completion of patterns, dies, etc., for a new line of gas and electric ranges. It is expected that this will put the company in a favorable position for export business.

Arrangements have been made with export agents having world-wide connections and with the return to more normal conditions it is expected that this division of the company's operations will show a marked improvement.

GANONG BROS.

Ganong Bros. Ltd., chocolate and confectionery manufacturers of St. Stephen, N.B., has grown from a small grocery store to a modern manufacturing plant with its products distributed through a national organization.

The history of the growth of Ganong Bros. follows along the lines of Canada's expansion. James H. Ganong, native of New Brunswick, came to St. Stephen in 1872 and bought out a small retail baking and confectionery plant. In partnership with his brother, the late G. W. Ganong, they started business on a moderate scale.

At first all manufacturing was done by hand labor but in 1884 the first candy factory, with steam power equipment and machinery, was erected.

Even in those early days the founders aimed at a national rather than a local business. The firm was the first of Maritime manufacturers to open up business in Western Canada. They established an agency in British Columbia in 1891 and over 40 years ago opened an agency in Winnipeg. Since 1903 branches have been located in the Prairie Provinces.

Built up on quality rather than on price, the business of Ganong Bros. has expanded rapidly. Manufacturing facilities have been enlarged on several occasions, while the volume of sales has shown a steady increase from year to year. Freight rates to the markets served have not proved a serious handicap since manufacturing costs have been kept at a low level and labor turnover has been reduced to a minimum.

IRVING OIL CO.

Though gross earnings of Irving Oil Co. last year at $385,187 were somewhat less than in the preceding year, they were the second largest ever reported by the company for any one year. While distribution costs have increased this year, the company is getting a higher percentage of the total business offering than was the case in 1932.

The maintenance of earnings on such a high level reflects wide expansion carried out by the company in recent years. The last major move was to start operations in Prince Edward Island, where the company purchased the property of the Aiken Oil Co.

Storage tanks erected at Saint John in the past two years have increased capacity at that point to 1,750,000 gallons. Similar accommodation is provided at Halifax.

The number of service stations operated by the company throughout the Maritime provinces has been kept up and with a return to more normal business conditions, it is expected that the company will continue with its expansion programme.

MARITIME TELEPHONE

Loss of toll traffic and decline in the number of stations in operation were reflected in the income and financial position of the Maritime Telegraph and Telephone Co. for 1932. The number of stations in service at the end of the year was 39,040, a loss of 1,795 stations or 4.4 per cent from the previous year. Exchange service only became perceptibly less in the latter months of the year but long distance service recorded declining revenues from the beginning of the period.

These developments are reflected in the company's financial statement for 1932, which shows a loss of $195,242 after all charges. This compares with a deficit of $69,961 in the previous year. It was intimated in the annual report that unless conditions took a turn for the better, the company would not be able to maintain dividends on its common stock. In April the management announced a reduction in the dividend from an annual rate of 8 per cent to one of 6 per cent. This is equivalent to 60 cents a share which compares with earnings of 23 cents a share in 1932.

Issue More Bonds

At the end of 1932, there was an excess of current liabilities over current assets amounting to $582,231. In order to correct this situation the company made a public offering last month of $500,000 of 5 per cent refunding and general mortgage bonds. The proceeds of this issue will go toward the reduction of the current indebtedness incurred for capital expenditures already completed.

Maritime Telegraph and Telephone owns and operates the greater part of the communication services in Nova Scotia and Prince Edward Island. Until last year the number of telephones installed had shown steady growth and revenues had gained consistently. Much new equipment has been installed and the dial systems are used entirely in Halifax, while additional installations have been made elsewhere.

Control Island System

Activities in Prince Edward Island are controlled through a subsidiary, Atlantic Utilities Ltd., which owns the Island Telephone Co., operating the telephone system on the island. Maritime Telegraph has a 99-year lease since 1910 on the submarine cables connecting the properties with the mainland.

The present policy of Maritime Telegraph's management does not call for capital outlays on developments other than are necessary; and no large expenditures are contemplated in 1933.

MONCTON TRAMS

Moncton Tramways, Electricity, Light and Power Co. serves Moncton and vicinity, the second largest industrial area in New Brunswick. As its name implies, the company provides an all-round utility service for the people in this territory.

Over 5,000 customers are supplied with electric energy. The company does not generate its own power, however, but buys its requirements from the New Brunswick Electric Power Commission and retails it over its own distribution system.

Approximately a similar number of customers in Moncton and Hillsborough are supplied with natural gas. This gas is obtained from natural gas fields in the vicinity and extensions to mains have been made in recent years.

There is no direct public investment interest in this enterprise, the company being a subsidiary of Utilities Light and Power Corp. of Chicago, which also controls other utilities in the Maritime Provinces.

MOIRS

Over-expansion and declining business forced a reorganization of Moirs Ltd., of Halifax, manufacturers of chocolate, and confectionery. In business for more than a century, this company built up a national and international business for its products. From 1925, when the company changed from a private ownership to a joint stock affair, until 1931, an ambitious line of expansion was undertaken. Manufacturing facilities were greatly enlarged, but sales did not keep pace.

Efforts made by the management to effect economies, while helpful, were not sufficient to save this situation. On January 1, last, the company failed to meet interest on its first mortgage bonds. The management took the stand that the continued provision of funds for interest and sinking fund on the bonded debt would so seriously impair the liquid position of the company as to jeopardize future operations.

Reorganization Effected

Following the lapse of the usual period of days, a bondholders' committee was formed to investigate the company's affairs and to determine upon a scheme of reorganization. This plan, approved by the bondholders, involved a change of management, and lightened the burden of funded debt charges for the company.

Under the reorganization plan, the bondholders were given 50 per cent of new bonds, while interest charges were deferred until January 1, 1935. In return for these concessions, the bondholders were given a six per cent first cumulative redeemable preference stock to the extent of 65 per cent of their holdings. This stock does not become cumulative as to dividends until the beginning of 1935. In other words, a holder of $100 par value of bonds received $50 of new bonds, and $65 of preferred stock or a total face value of securities of $115.

Various restrictions are placed on the company as to the payment of dividends, while management control rests with the holders of the preferred stock until certain conditions have been met in full.

NEW BRUNSWICK POWER

New Brunswick Power Co.'s earnings in the last two years have shown a declining trend. The latest available official figures, covering the first five months of 1932, showed interest charges earned by a narrow margin before depreciation. In 1931 net profit was not sufficient to cover preferred dividends and the disbursement was omitted at the beginning of 1932.

The company supplies all the public utility services in Saint John, operating power, lighting, tramways and gas departments. Electric energy is obtained from a 17,000 h.p. steam electric unit, while the company has an agreement with the New Brunswick Electric Power Commission for stand-by services.

Supplies All Utilities

New Brunswick Power owns and operates 22 miles of street railway tracks in Saint John East, and West Saint John, Fairville, Glen Falls and vicinity, while rolling stock numbers 34 closed cars. There is also a gas plant in Saint John; this unit also produces a by-product coke for domestic and commercial purposes.

Control of New Brunswick Power lies with Federal Light and Traction Co., which has made very substantial advances on capital account to its subsidiary. Earnings

(Continued on page 18)

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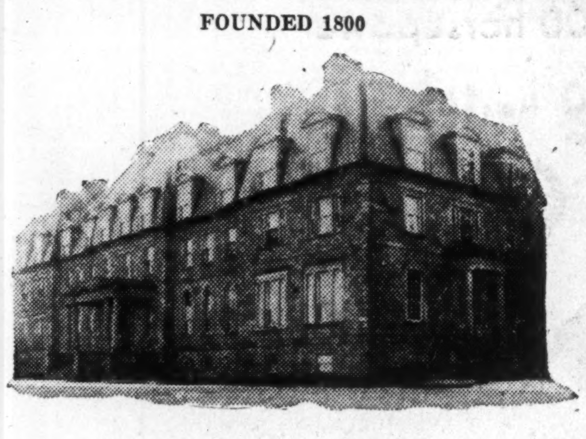

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Varied Mineral Resources Rich Asset of Nova Scotia

Extensive Coal Operations Restricted During the Past Year — More Hopeful Outlook for 1933 — Other Fields Inactive With Low Demand

Difficulties of the past year have not been without their effect on coal mining in Nova Scotia. Restricted activity in steel plants which have been established adjacent to the great collieries caused a lower demand for coal. Last year the province produced 3,775,879 tons of coal. This compared with 4,745,000 tons in the previous year and represented a decline of 969,126 tons.

Mining for 150 Years

In the past 150 years Nova Scotia mines have sold nearly 207,000,000 tons of coal. Provincial records date back to 1785 in which year sales were 1,668 tons; in 1932 total sales amounted to 3,359,279 tons. In 1913 a record was created which still stands, in that year sales amounted to 6,478,709 tons.

Despite this vast production reserves are estimated at 9,631,106,000 tons. Of this amount 7,530,817,000 tons is estimated as probable reserve; the balance is actual reserve.

Second in Importance

Nova Scotia's mineral production ranks fifth in economic importance in the Dominion while mining is the second largest industry in the province from the point of view of value of production. Coal is the greatest factor; the Sydney coal fields in Cape Breton are among the most highly developed and among the greatest potential coal areas in the world. Actually the thickest coal seam mined in the world is located near Stellarton. Coal reserves of Nova Scotia are estimated at ten billion tons, second only to Alberta as a potential source of coal supply in Canada.

Of prime importance to the industry was the finding of the Duncan Commission appointed to investigate the coal problem in Nova Scotia. The commission's report was made public in February in 1932 and threw much light on conditions surrounding colliery operations. It dealt extensively with mining methods, costs and employment; of paramount interest was its recommendation that wages be reduced by 10 per cent.

Want Bigger Markets

But the main difficulty of the Nova Scotia industry is the securing of bigger markets. Despite large coal deposits additional inroads continue to be made into the Canadian market by importation of coal from foreign countries.

In this respect, however, the Dominion Government extended some aid to Canadian coal producers early in 1932. In May a new order-in-council was passed which provided that the government would pay any difference between the cost of United States and Canadian coal up to $1 per ton in order to encourage the greater use of domestic coal in the manufacture of coke or gas. This grant has been responsible for stimulating shipments of Nova Scotia coal to Quebec and Ontario markets though its effects are not sufficient to find a definite reflection in mining activity.

Within itself, however, the coal industry has made great strides in improving its efficiency. Electrification of leading mines has been carried out in recent years making for lower costs and better working conditions. Despite this the Duncan Commission showed that costs must be reduced still lower if the industry is to compete with foreign importations.

Produce Other Minerals

Mineral production other than coal also showed a decline last year. The decrease was uniform, however, and represented market and industrial conditions and not unsoundness in the mining industry of the province.

Gypsum Ranks High

Gypsum mining has held an important place in the province's mineral operations for many years. Due to the decline in constructional activity production of gypsum has reflected the lower demand for building material made from gypsum. Production in Nova Scotia dropped from 754,083 tons in 1931 to 426,758 tons last year.

The largest producer is located at Windsor in Hants County and operates two main quarries. Other gypsum operations are conducted at Cheticamp, Mabou, Baddeck and Cheverie. Much of the raw crude gypsum is shipped to the United States and calcined there.

As far as gold mining is concerned production has tended to decline in recent years. Nova Scotia has long been a recognized gold producer and its records go back as far as 1862. Output reached its peak at the beginning of the present century but has tended to decline steadily since the new mining camps have been opened up in Ontario and Quebec. Last year the province produced 941 ounces of gold which compared with a peak in 1899 of 104,122 ounces.

At Malagash in Cumberland County the Malagash Salt Co. operates the only rock salt mine in the Dominion. This deposit was discovered in 1917 while drilling for water was being undertaken, and it has been developed in recent years on a commercial scale. Several grades of rock salt are produced and crushed in suitable forms for the various markets, the fish packing industry taking large quantities.

Production of salt last year amounted to 29,082 tons. This was one of the few mineral products to record an increase, output being over 3,000 tons in excess of that reported for 1931.

Base Metals Inactive

Low prices for base metals have forced suspension of operations at the Stirling property in Richmond County and at various other base metal properties under development in the province.

Geographical location caused the mineral resources of Nova Scotia to be explored before any other part of Canada; as early as 1604 iron, silver and copper were reported. Though many millions of dollars have been taken from various mines since that time, the province's minerals will prove a source of wealth for many years to come.

Output Generally Lower

The following table illustrates the production and comparative values of minerals produced in Nova Scotia during the past three years:

MINERAL PRODUCTION OF NOVA SCOTIA
Years Ended September 30, 1930—1932

Minerals:		1930	1931	1932
Bricks, common	No.	*18,075,940	5,792,992	3,022,401
Coal	tons	5,754,502	4,475,005	3,775,879
Coal, used by coke ovens	tons	566,767	369,373	142,245
Coke, produced	tons	342,155	223,685	86,797
Crushed stone	tons	20,281	19,584	18,071
Diatomaceous Earth	tons	314	1,012	1,761
Dolomite	tons	17,006	12,468	373
Gas from coal distillation	M. cu. ft.	3,887,568	3,279,205	470,704
Gold	ounces	2,341	575	941
Gold bearing ore	tons	5,328	2,954	1,367
Gypsum, crude	tons	863,134	754,083	426,758
Gypsum, calcined	tons	10,258	9,954	5,874
Limestone	tons	101,456	33,123	8,495
Limestone for fertilizer	tons	3,500	3,181	2,970
Motor fuel (Ben gas)	gals.	966,044	723,736	8,212
Oil, fuel, mnfd.	gals.	49,752,738	54.173,000	40,534,970
Oil, illuminating, mnfd.	gals.	7,519,262	6,194,000	8,066,729
Oil, other mnfd.	gals.	107,969	55,160	38,253
Pig iron	tons	262,375	165,260	......
Salt	tons	25,708	25,951	29,082
Sandstone	tons	6,974	31,040	2,371
Sewer pipe	tons	9,576	11,200	9,016
Silica	tons	7,928	2,737	827
Steel ingots	tons	358,483	255,171	99,287
Steel rails	tons	122,606	85,595	......
Steel wire	tons	19,320	12,421	10,198
Sulphuric acid, 50 degrees	tons	10,548	5,257	3,277
Tar	gals.	5,491,723	3,815,686	1,462,090
Tiles, drain	lineal ft.	160,460	214,757	75,590
Tiles, interlocking	No.	700,094	407,007	253,057
Tiles, partition	No.	845,186	816,338	301,472
Iron ore, imported	tons	771,378	303,852	8,003

*Includes 6,708,000 brick not reported in 1929.

Game Hunters Go to N. B. Area In Fall Months

Big game hunters accounted for 364 moose and 7,485 deer during New Brunswick's 1932 hunting season, according to returns compiled by the Department of Lands and Mines. These figures show a decrease in the kill of both moose and deer as compared with the 1931 season when 447 moose and 9,594 deer were reported as killed in the province.

About 4,425 moose licenses were sold in 1932 compared with 6,024 in the preceding year. Deer licenses show a slight increase, 11,972 being sold as against 11,926 in 1931.

October Best Month

An interesting feature of the report shows that from October 1 to 15, 36 per cent of the total kill of moose was reported; from October 16 to 31, 13 per cent; from November 1 to 15, 25 per cent; from November 16 to 30, 26 per cent.

The kill of deer by periods was as follows: October 1 to 15, 19 per cent; October 16 to 31, 10 per cent; November 1 to 15, 30 per cent; and November 16 to 30, 40 per cent.

Non-resident hunters in New Brunswick reported a kill of 30 moose in 1932 and 233 deer during 1932, according to the report of the game warden.

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Ganong Bros. Limited
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NEW BRUNSWICK POWER

(Continued from page 17)

in recent years have shown gradual expansion, but have been quick to reflect effects of adverse business conditions such as experienced in the last two years.

NEW BRUNSWICK TELEPHONE

Experience of the New Brunswick Telephone Co., controlled by the Bell Telephone Co. of Canada, has been common to that reported by other communication companies, namely, a lower volume of business which in turn has affected earnings and dividend payments.

Long distance calls handled by the company in 1932 were 196,591 less than in the previous year, or a drop of 22 per cent. Telephone installations registered a net decline of 8½ per cent from the 1931 figure. Net revenues were barely sufficient to cover a lower dividend charge, earnings being equal to 58 cents a share on the common stock on which a dividend of 57½ cents was paid.

Link Between Provinces

New Brunswick Telephone operates in the province of the same name, its system connecting on the east with the Maritime Telegraph and Telephone and on the west with the Bell Telephone Co. of Canada. Nearly 35,000 stations are in operation, of which about half are resident and rural and the remainder business telephones.

Capital expenditures carried out in the past few years have involved the construction of new toll lines, erection of exchange buildings and the enlargement and installation of new equipment. This additional capital expenditure is reflected in an adverse working capital position, which at the end of 1932 amounted to nearly $500,000.

NOVA SCOTIA PUBLIC COLD STORAGE

Nova Scotia Public Cold Storage Terminals provide the Harbor of Halifax with excellent dry and cold storage facilities for the handling of Maritime products, such as apples, fish, potatoes, etc.

Although starting under favorable auspices, subsequent developments have not been favorable to the company. Large sums of money were invested in a quick-freezing process for fish. Owing to the irregularity of supplies and other handicaps, this investment was never fully realized on.

Public investment interest in the company is largely confined to the first mortgage bonds which were issued in 1928. The Dominion Government provided 30 per cent of the construction cost but since completion, the plant has not developed any appreciable earning power.

Bond Interest in Arrears

Interest on the $1,700,000 of first mortgage bonds is still in arrears since May, 1932. Last year authority was given by the bondholders to a committee to act in their behalf and it is understood that negotiations are in process, looking toward a sale of the company's property. Possibilities of a sale to the Halifax Harbor Commission is seen in the remarks of Sir Alexander Gibb who, in his national port survey, stated that the plant occupies harbor properties, is well designed, and reasonably economical to run, so that the commission is justified in interesting themselves in the possible acquisition. He further stated that all possible steps should be taken to prevent the cold storage plant from ceasing to operate, provided it is not sought to saddle the harbor with unjustifiable liabilities.

RECORD STOVE

The Record Stove and Furnace Co., of Moncton, has a long record of progress. Established many years ago, the company is one of the oldest firms of its kind in the Maritime Provinces.

It has kept pace with the times, however, and has been active in installing modern equipment. Today, some of the best stoves for coal, wood and gas, manufactured in Eastern Canada, are shipped from this Moncton plant.

Distribution is not only confined to the Maritime Provinces. Record Stove has built up a wide connection in Upper Canada and conducts active sales campaigns in Quebec and Ontario.

SAINT JOHN DRYDOCK

Saint John Drydock and Shipbuilding Co. is one of the reasons which go to make the Port of Saint John a vital factor in the life of New Brunswick. The drydock is one of the largest in the world and has carried out many major contracts in its history.

Saint John Drydock and Shipbuilding, however, has been active in dredging operations and it is this activity which has provided it with its chief source of revenue in late years. Through its own operations and through those of a subsidiary dredging has been carried on consistently both in Saint John harbor and other locations.

The property comprises the largest graving dock in the British Empire. It is situated at the head of Courtenay Bay within the harbor limits and adjacent to the port of Saint John. Its facilities are most complete including easily handled stagings, gangways and telephone connections aboard vessels and at the bottom of the dock.

SAINT JOHN RIVER POWER CO.

St. John River Power Co., subsidiary of Gatineau Power Co., owns and operates one of the largest hydro power developments in the Maritime Provinces. Generating station at Grand Falls, N.B., has an installed capacity of 80,000 h.p.

The company is primarily a wholesale distributor of power. About 20,000 h.p. is sold in one block to Fraser Companies for use as motive power in its mills. A small block of energy is retailed at Dalhousie and one or two other points. The company's principal customer, however, is the New Brunswick International Paper Co., which operates a large pulp and paper plant at Dalhousie. The latter takes nearly 60,000 h.p. from the St. John River Power Co.

Part of Gatineau Power

No financial statements are issued by the St. John River Power Co., as its income account and balance sheet are incorporated with those of the parent company. The fact that virtually all its power is sold at fixed rates under long-term contracts means that there is little variation in its income from year to year. Its securities are owned, with the exception of a small block of preferred, by the Gatineau Power Co. which is the operating company for Canadian Hydro.

STANFIELD'S

Stanfield's Ltd., Truro, N.S., one of the oldest and largest manufacturers of woollen underwear and other lines in the Dominion, was able to report earnings for 1932 on a slightly larger basis than in the preceding year, despite the rather unsatisfactory conditions which prevailed in the domestic market.

With the death of the former head of the company, Hon. Frank Stanfield, a capital reorganization of the company was effected whereby the old shareholders were offered cash and an interest in a new concern of the same name for their holdings.

Under the present capital setup Stanfield's has issued $400,000 preferred stock and 10,000 shares no par value common. Earnings on the new preferred total were $1.82 a share in 1931, and $1.99 in 1932. No dividends have been paid, the directors adhering to a policy of building up reserves before undertaking distribution of surplus earnings.

Central Trust Co. Look for Good Year

Business of the Central Trust Co. of Canada, with head offices at Moncton, shows a gain for the first four months of 1933 over the same period last year. The company reports that the guaranteed investment account is up 18 per cent, while profits are about 10 per cent higher than for the same period in 1932.

Present prospects are for a continuance of improved business during the balance of the year with returns for the full twelve months the best in the history of the company.

The company's mortgage investments are reported to be in good condition, with arrears in interest almost negligible.

Interest in Gold Mining

Good progress is being made by the Gold Mining Association of Nova Scotia, recently formed at Halifax by operators, shareholders and others interested in furthering the development of gold mining in the province. The president now announces several major activities pending, of which details will be given later.

A Complete Financial Service

We execute orders in securities on the	Montreal Stock Exchange London Stock Exchange Toronto Stock Exchange New York Stock Exchange Montreal Curb Market Standard Stock and Mining Exchange	for cash or on margin
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Private wire connections to all branches and to New York Chicago, Winnipeg, Calgary, Edmonton, Regina, Saskatoon, Vancouver

Promote Holstein Interest

At the recent annual meeting of the Holstein-Friesian Association of Prince Edward Island it was decided to hold the annual field day at Tryon this year and a considerable amount of extension work was arranged for the summer.

Building in Saint John

Building permits to the number of 87 and to the value of $31,380 were issued in Saint John during May.

The Province with its Feet on the Ground

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Agriculture

The climate and soil of New Brunswick are particularly adapted to profitable agricultural operations. The average yield of oats per acre in Canada during 1931 was 25.5 bushels. In New Brunswick, the yield was 31.0 bushels per acre. The 1931 wheat yield in Canada was 11.6 bushels per acre, in New Brunswick it was 18.5 bushels. A similar situation is evident in the instances of barley, beans, potatoes, turnips and hay and clover.

The production of apples has been steadily increasing. This branch of the industry has been encouraged by the provincial government, with the result that approximately 1,000 acres have been set out to orchards.

The agricultural wealth of the province, including the value of lands, equipment and livestock, was estimated in 1931 to amount to $158,840,000, while the value of agricultural products exceeded 24 million dollars. The province's particular natural advantages indicate a substantial future growth in this branch of activity.

Fisheries

Only two provinces exceed New Brunswick in the total value of their fisheries, while this province's catch of sardines, smelts, and oysters exceeds that of all others. The lobster fishery is also particularly important.

Minerals

New Brunswick's proportion of the total Canadian mineral production showed a very substantial increase in 1932 over preceding years. Coal, gypsum, natural gas and building stone are now mined in considerable quantities. Provincial Mining Laws, especially favourable to the prospector, add to the province's mineral opportunities.

Manufacturing

The province each year provides an increasingly favourable location for the manufacturer. Proximity to markets results from a growing population, and particularly favourable freight rates. Raw materials are made readily available through the continuously open port at Saint John, while the substantial natural resources of the province may be drawn on for this purpose. Power and labour supplies are adequate to meet every industrial need.

Investments

The evident stability and favourable future of New Brunswick industrial enterprise are indications of unexcelled investment opportunities. The justified faith of the investing public in government and municipal securities has already been amply demonstrated in 1932, and reflects the sound judgment that for security of principle, satisfactory return, and appreciation in value, New Brunswick investments provide an advantageous selection.

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POOR MARKETS LIMIT RETURN TO FISHERMEN

Nova Scotia Fish Industry Faces Difficult Times

EXPORTS DECREASE

Better Catch Last Year But Values Lower — Many Depend on Fisheries for Livelihood

Last year was an exceptionally bad one for the Nova Scotia fishing industry. Fish were none too plentiful, prices were low and a large number of the power vessels that were engaged in 1930 and 1931 in fresh fishing were laid up owing to the steam trawlers that operated from provincial ports landing sufficient fish.

The industry also was faced with keen competition from other and new producers of salt fish. Not many years back, Icelandic, European and English competition was not a factor in the Nova Scotia fish operations. Today fishermen in those countries are capturing and actually have driven out the Nova Scotia fishermen from many markets owing to their cheaper offerings, made possible by a depreciated currency and a lower standard of living.

Another factor in the marketing situation, more particularly in the West Indies, is that the consumer of salt fish who are producers of sugar, coffee, etc., have had their buying powers restricted due to the low prices they are getting for their products.

Many Depend of Fisheries

Though Nova Scotia has made great strides in the exploitation of its natural resources, many of its people and industries are dependent upon the sea fisheries. The welfare of this branch of economic activity, therefore, is of vital importance to the province. Different proposals have been put forward to bring about a return of more prosperous conditions, but the industry, in a large measure, is faced with problems over which it has no control.

The exchange situation and the decreased buying power of the West Indies and other foreign markets have seriously hampered export trade. In the domestic market low prices have made it difficult for the fishermen to secure an adequate return on their labor and capital investments.

Working on Solution

Continued efforts are being made to effect an improvement in the fishermen's position. Success along these lines would bring about an increased buying power for a large proportion of the province's population and, in turn, would have a stimulating effect upon many Nova Scotian industries.

Output Worth $8,000,000

During 1931, the latest year for which complete statistics are available, the products of the fisheries of Nova Scotia had a total value of $7,986,194. This compared with $10,411,202 in 1930 and $11,427,491 in 1929.

The catch of fish of all kinds in Nova Scotia in 1931 amounted to 2,117,305 cwt., with a value to the fishermen of $4,833,900. The previous year the catch amounted to 2,577,856 cwt., at a value to the fishermen of $6,842,953. The decrease from 1930 in the quantity of fish caught was 18 per cent while the value to the fishermen and the marketed value, owing to lower prices, was 29 per cent and 23 per cent, respectively.

Nearly 20,000 Employed

The number of men engaged in handling, catching and landing the fish in 1931 was 15,527, while the fish canning and curing industry gave employment to an average of 1,726 persons during the year. This general average for the year is naturally much below that of the months when employment in fish canning and curing establishments is at its highest, namely, May and June—for the month of May a total of 3,472 employees was recorded and in June a total of 3,299.

The value of the capital investment in the fisheries of Nova Scotia in 1931 was $10,232,805, to which total the value of the vessels, the boats, nets and other gear used in the primary operations of catching and landing the fish contributed $6,813,124, or 77 per cent, and the fish canning and curing industry $3,419,681, or 33 per cent. Compared with the preceding year, the total capital shows a decrease of $1,011,935.

Lobster in the Lead

The lobster fishery in 1931 was of first importance, with the crab fishery second, the market value of the lobsters amounting to $2,725,620 and of the crabs to $1,671,201. Haddock was third in order of value with a total of $1,325,919.

Among the principal kinds of fish, lobsters, halibut, mackerel and smelts show increases in quantity caught but decreases in market value while swordfish alone record an increase in both catch and marketed value. The other principal kinds—cod, haddock, herring, salmon, and hake and tusk, showed decreases in catch as well as in marketed value.

In an endeavor to better their position, the fishermen have developed the manufacture of a number of fish by-products which contributed, in a small way, to their return.

In 1931, for example, the Dominion Bureau of Statistics report the following production of miscellaneous products for Nova Scotia: Fish meal, 10,639 tons; fish fertilizer, 64 tons; fish offal, 4,845 tons; fish oil, 8,715 gallons; fish skin and bones, 16,670 cwt.

Current Values Low

The manner in which the value of Nova Scotia fisheries have fallen off in the last year or two is well illustrated by the following table showing the annual value of fish products:

1925	$10,213,779
1926	12,505,922
1927	10,783,631
1928	11,681,995
1929	11,427,491
1930	10,411,202
1931	7,986,194

More Industrial Plants

There were 1,449 manufacturing establishments in operation in the Province of Nova Scotia during 1931, this being an increase of 147 over 1930. The value of production was $70,679,503; the capital investment $129,824,727; number of persons employed 16,175 and salaries and wages $14,881,673. The cost of material used was $33,288,250.

Atlantic Provinces' Retail Merchandise Sales Aggregate $200,000,000 Annually

Canada's three Atlantic provinces—Nova Scotia, New Brunswick and Prince Edward Island—constitute one of the principal and richest retail merchandising areas in the country. It is a market that does not present many of the problems common to many other parts of the Dominion. The conservative habits of the people, combined with a buying power that does not show wide fluctuations from year to year (except in those areas dependent upon seasonal industries, buying power is well sustained) make the Maritimes one of the most reliable merchandising areas.

In its recently-published Survey of Merchandising Establishments, the Dominion Bureau of Statistics reports 11,271 retail merchandising outlets in the Maritime Provinces. These stores reported net merchandising sales of $202,703,900 for 1931. Comparative figures for other years are not available, inasmuch as this was the first survey of its kind conducted by the Bureau. It is also of interest to note that 19,575 persons are engaged in merchandising activity in the three provinces.

Salaries and wages paid to them, in the year under review, amounted to $17,261,800.

Nova Scotia's Retail Sales Total $104,000,000

Nova Scotia is the largest of the three provinces in the Maritime area, both in regard to population and merchandise sales. In 1930, this province had 6,183 stores, with retail merchandise sales of $104,140,900, while the merchandise carried in stock at the end of 1930 was valued at $19,242,800.

The general merchandise group, comprised of 991 establishments (including department stores) had the largest volume of retail business with sales of $26,492,200. Department and general stores, with sales of over $100,000, did a business of $8,519,200, while general stores with groceries made sales to a value of $14,269,900.

The largest number of stores in Nova Scotia was reported for the food group, which was second in volume of business, 2,724 establishments having sales to the value of $23,799,000. The sales of grocery stores totalled $16,622,700 and those of meat markets, $4,151,000. In addition to the sales of the food stores, the bakeries and dairies which report to the census of industry, had retail sales of $1,637,332 in 1930.

The automotive group in Nova Scotia did a business of $17,632,500; 197 filling stations, $1,732,300; and 188 garages, $2,497,000.

New Brunswick's 4,294 Stores Sell $85,006,300

Preliminary figures for retail establishments in New Brunswick, including both rural and urban areas, show that 4,294 stores had sales amounting to $85,006,300 in 1930. The general merchandise group was first in amount of business, with sales at $31,078,900. In the food group there were 1,655 establishments, doing a business of $14,461,800. Sales of grocery stores were $10,555,900 and those of meat markets $2,265,300. In addition to the sales of the food stores, bakeries and dairies had retail sales of $858,677.

Sales of $11,692,500 were reported in the automotive group in which 98 automobile dealers reported $8,685,200 sales; 174 filling stations, $1,498,000; and 145 garages (which also sold gasoline and oil) did a business of $1,431,600.

Sales of New Brunswick retail stores which do not come under any particular classification, amount to $15,388,890 in 1930. The 57 coal and wood yards reported sales of $2,751,700, while 116 drug stores did a business of $2,362,100. The sales for tobacco stands and stores were $623,000 and those for jewellery stores $513,300.

P.E.I. Dealers' Trade Worth $13,556,700

Prince Edward Island's 794 retail stores reported sales of $13,556,700 for 1930. As in the other provinces, the general merchandising group led all others, with sales of $6,277,300 for 163 reporting establishments. There were 152 general stores in this group; three variety, 5-10-$1 stores; eight department and general stores with sales of more than $100,000; and two dry goods stores.

The sales in the food group were $2,163,900, while the number of stores reporting was 307. The 215 grocery stores had sales of $10,463,000, and the 52 meat markets did a business of $458,000.

In the automotive group there were 69 establishments, with sales of $1,786,400. Sixteen automobile dealers did a business of $1,349,800, while the 21 filling stations had sales of $242,200.

Among the other retail stores in Prince Edward Island, the ten dealers of coal, wood and ice reported sales of $476,900. There were 21 drug stores, doing a business of $356,800, and 78 dealers in farm implements and machinery, with sales of $158,700. Altogether there were 159 establishments described as "other retail stores" and the amount of business done by them totals $1,722,700.

A general summary of the retail merchandising business in the Maritime Provinces for 1930 follows hereafter:

NUMBER OF STORES

	N.S.	N.B.	P.E.I.
Automotive	505	426	69
Food	2,724	1,655	307
Gen. Merch.	991	787	165
Apparel	457	289	53
Lumber	158	112	9
Furniture	93	59	6
Restaurant	239	187	26
All other	1,016	779	159
Total	6,183	4,294	794

NET MERCHANDISE SALES (in 000's)

	N.S.	N.B.	P.E.I.
Automotive	$17,632	$11,693	$1,786
Food	23,799	14,462	2,164
Gen. Merch.	26,493	31,079	6,277
Apparel	8,707	5,823	1,013
Lumber	4,241	3,294	363
Furniture	2,078	2,045	44
Restaurant	1,820	1,221	186
All other	19,370	15,388	1,723
Total	104,140	85,006	13,556

SALARIES AND WAGES (in 000's)

	N.S.	N.B.	P.E.I.
Automotive	$1,557	$1,088	$115
Food	1,510	940	91
Gen. Merch.	1,892	2,297	504
Apparel	908	674	138
Lumber	529	368	30
Furniture	236	293	8
Restaurant	261	196	34
All other	1,867	1,501	224
Total	8,760	7,358	1,114

NUMBER OF EMPLOYEES

	N.S.	N.B.	P.E.I.
Automotive	1,333	980	131
Food	2.059	1,397	169
Gen. Merch.	2,613	2,548	600
Apparel	974	750	149
Lumber	480	335	43
Furniture	192	244	8
Restaurant	549	382	65
All other	1,860	1,485	229
Total	10,060	8,121	1,394

P. E. I. FISHERIES ANNUAL RETURN NEAR $1,000,000

Larger Catch in 1932 But Lower Value Limits Revenue

Though agriculture occupies front rank in the economic activities of Prince Edward Island, the fisheries now and for many decades in the past have contributed substantially to the general welfare of the Island. Conditions in this industry in the last two or three years, of course, have not been altogether satisfactory, owing to low prices and the general disruption of export markets. Many of the Islanders, nevertheless, secure all or the major part of their livelihood from fishing operations.

The output of Prince Edward Island fisheries in 1932 had a total value of $988,919 compared with $1,078,901 in 1931. These totals show the value of the fish as marketed, whether sold for consumption fresh, or as canned, cured or otherwise prepared.

Larger Catch Landed

The quantity of fish of all kinds caught and landed last year totalled 237,368 cwt., with a value to the fishermen of $713,552, compared with a total of 235,830 cwt. and a caught and landed value of $765,043 in 1931. Lower prices for the fish accounted for the drop in total value. The processing of fish is carried on to a considerable extent and this branch of the fisheries added approximately $275,000 to the total value of the fisheries for 1932.

The chief source of the annual return from the Prince Edward Island fisheries is the lobster fishery, which, in 1932, had an output at $750,039, an amount only slightly less than that recorded for 1931. The principal item of lobster production is canned lobster which reached, last year, a total of 44,490 cases, an increase over the preceding year of 7,435 cases.

Other fish of importance, although their values of production fell far behind that of lobster, are herring, valued at $68,246; cod, $52,405; and smelts, $51,610.

Over 4,500 Employed

The number of fishermen employed in the Island industry in 1932 was 3,018 and the number of persons employed in the various processing establishments was 1,550, making a total of 4,568, compared with a total of 3,805 in the previous year.

Capital invested in the Island fisheries, representing the value of vessels, boats, nets, traps, etc., used in the primary operations of catching and landing the fish, amounted to $916,660 in 1932. The amount invested in the fish canning and curing branch of the industry totalled $189,975, an aggregate of $1,106,635 for the industry as a whole, compared with the total of $939,212 in 1931.

New Brunswick Industry

In 1931, 872 establishments reported their manufacturing activities in the Province of New Brunswick. Their total output had a value of $55,209,818. The capital investment was $128,859,472. There were 13,107 hands employed, receiving $12,706,897 in salaries and wages. The cost of raw materials used was $25,681,856.

Easy Fruit Shipments

The first crate of strawberries from the Annapolis Valley went forward on June 12th, which is believed to be a new record for early shipment.

Another Triumph for Wallace Refrigerators

For their magnificent new food-store in the Roy Building, Halifax, Dominion Stores Limited once again placed the seal of their approval upon Wallace Commercial Refrigerators — and we had the pleasure of supplying 3 nine-foot Refrigerator cases, a Fish case and Sink, a Walk-in Refrigerator and a Reach-in Refrigerator.

The entire installation, decorated to match the new green color scheme of this ultra-modern store, was completed in our plant within seven working days.

Full information regarding Wallace Commercial Refrigerators and Display Cases will be gladly sent to merchants on request.

Wallace Manufacturing Co. Ltd.
SUSSEX, N.B.

PUBLIC DISPLAYS GROWING FAVOR FOR SWORDFISH

One-time Menace Proves Source of Income to Fishermen

An Atlantic sea-food that has leaped into popularity within the last few years is the swordfish. This giant of the sea was looked upon as a menace by the old-time fisherfolk; today he is a source of revenue, a table delicacy and one of the big assets of the shore fishermen.

During the season of 1932 the shore district from Glace Bay to Louisburg, which includes Port Morien, Mainadieu, Scaterie and the Lorraines, shipped to the United States approximately 400,000 lbs. of swordfish, boxed and iced, mostly to the Boston market. The price fluctuated from nine cents a pound to three cents. The Fisheries Department figures the average return to the fishermen at about four cents a pound.

Developing Market

A few small lots were shipped to Montreal, where the market is in the course of being developed. About 10,000 pounds were sold in the local meat markets for home consumption. Ontario and all points west of Montreal offered no market for swordfish. The hope of the swordfishermen is to find a Canadian market. They stopped fishing last season because the Boston market price didn't pay for the gas and gear; and millions of pounds of wonderful fish food were lost to the needy fisherfolk because Canada is not yet fish-conscious.

Japan is a big exporter of swordfish. They trap them there in nets and freeze them. In 1931 they sent two shiploads to the Boston market. The cold storage plants were stocked with Japanese swordfish and this ruined the prices. But the Japan fish did not prove popular and the experiment will not be repeated.

Many Boats Operate

There are over 300 swordfishing boats operated on the Cape Breton coast. And in the August season as many more tie up in our harbors. Many big boats come from Gloucester; Lunenburg sends a fleet and Canso and Newfoundland have regular fleets that spend the seasons in these ports. The American boats come in just for shelter; they take their catch direct to Boston. The Canadian boats sell their catch to the local buyers. The big United States fish firms have buyers on the wharf and there are several fast steamers that freight the fish to Boston.

Very few were marketed for several years until the demand and the big prices offered encouragement to the fishermen to equip themselves with harpoons and fast boats. The catch at Glace Bay, the hub of the fishing grounds, has grown from about 10 fish in 1918 to 100 a day in 1932.

The swordfish is harpooned and, like the trout, has a fighting chance against the fisherman. In August, he schools off the Cape Breton coast and when the sun shines, he "bellies-up" on the surface. The lookout spies him; the boat speeds, and the harpooner in the bow throws his lance.

Output of Energy On Healthy Scale

Electricity generated by central electric stations in the Maritime Provinces during the first four months of 1933 amounted to 167,721,000 kw.h. This compares with 190,319,000 and 161,983,000 kw.h. for the corresponding periods of 1932 and 1931, respectively.

While the generation of electrical energy has expanded on a large scale in Canada over the last ten years, the Maritimes have not lagged behind despite the relatively limited water power resources. Industrial growth has been responsible mainly for the greater load, but the increasing domestic load has been a more important factor over the last eighteen months. Both the provincially-owned and private utilities have been directing their promotional efforts along these lines for some time with encouraging results.

Angling Joins Hands With Big Business

Salmon fishing in New Brunswick is now in the class of big business. According to Leo Dolan, director of the Provincial Bureau of Tourist Travel, the capital investment in New Brunswick's 298 fishing camps and club houses, equipment and improvement of all kinds, totals $985,000. The estimated capital value of private riparian rights on these streams is $600,000 or a total capital value of $1,585,000.

That the fishing industry is a profitable one for New Brunswick is the claim of Mr. Dolan, who points out that in 1931 it is estimated that 1,000 persons were employed as guardians, guides, cooks, etc., during the sport fishing season and included in general expenses, maintenance charges, food supplies, etc., the sum of $922,523 was expended.

NEW BRUNSWICK HIGHWAY OUTLAY DOWN LAST YEAR

Over $2,600,000 Spent in Maintaining 11,822 Miles of Road

Construction and maintenance of New Brunswick's highways system resulted in the expenditure of $2,625,325 during 1932, according to the annual report of the Department of Public Works.

Road expenditures in all branches were necessarily greatly curtailed during 1932, being 37 per cent lower in 1931 and 66 per cent under the peak year of 1930.

Expenditures for the past year are classified as follows: ordinary roads, $273,769; municipal roads, $71,656; patrol work, $312,919; main trunk permanent roads, $605,120; secondary and branch permanent roads, $1,261,861.

Spend on Maintenance

A comparatively small amount of permanent highway construction was carried on during the past year, only work found to be absolutely necessary being done as well as that carried on an unemployed relief measure.

Due to the very considerable decrease in local and foreign traffic on the provincial highways during the past season, patrol operations were curtailed consistent with the traffic on the various individual sections.

Place Highway Signs

The Department of Public Works continued its policy of erecting and replacing various types of road signs. The number of signs placed in position in 1932 was as follows: railway crossing signs, 28; symbolic direction signs, 513; school signs, 196; route numbers, 575; checker board signs, 51; town markers, 36; caution signs, 385; town signs, 55; other signs, 107; posts reset, 553.

At the end of last year New Brunswick had a total mileage of all roads in the province of 11,822, divided and classified as follows: main trunk highways, 1,388 miles; secondary trunk highways, 3,247 miles; branch or by-roads, 7,187 miles.

The Admiral Beatty Hotel

LARGEST and most modern hotel in the Maritimes

EUROPEAN PLAN

Club Meals — Cafeteria
250 Rooms — Rates, $2.00 up

SAINT JOHN - - - New Brunswick

E. B. SWEENEY, Resident Manager

A Maritimes Product

LANTIC SUGAR

ATLANTIC SUGAR REFINERIES, LIMITED

Saint John New Brunswick

DEPRESSION EFFECT SEEN IN INDUSTRY

General Slowing Down in Manufacturing Noted Past Year

CAPITAL EXPANDING

Government Survey Indicates Importance of Industrial Operations in Area

Industrial operations in the Maritimes, in common with those in other economic areas of the Dominion, have been on a restricted basis over the past year or two. Unlike other sections, however, Maritime industrial activity did not slow up until long after it had been apparent in the rest of the country.

Past records have shown that Maritime business conditions usually lag about six months behind the rest of the Dominion. In other words boom conditions last half a year longer, but they do not commence until they have become well established elsewhere.

Maintained Position

Until the end of 1931 industrial conditions in the three Atlantic provinces were above the normal line. No particular reason is attributed to the lateness with which the Maritimes felt the depression, save that over the past decade industrial exploitation of the area has created a wider diversification of manufactures so that it was possible to maintain relatively high level of activity despite adverse conditions in other parts of the Dominion.

The last eighteen months have not been favorable ones for Maritime industry. With the possible exception of the oil and sugar industries, operations have been curtailed a third or more. This has resulted in an increasing amount of unemployment and financial embarrassment for more than one company. Steps have been taken to meet the changed conditions. In some instances managements anticipated the change and planned their operations accordingly. Taken as a whole, industry in the Maritimes has come through the depression as well as in other areas, probably better in that they did not engage in the over-confident expansion common in other provinces.

Industry is Important

While the industrial situation in the Maritimes is not as pleasing as one might wish in these days, it does not do to minimize the importance of manufactures in the economic life of the area. Forestry and mine operations have been developed on a wide scale, but industry has come ahead in late years and now occupies a position of front-rank importance.

Drop 15 Per Cent in 1931

The latest Government report on Maritimes manufactures, covering 1931, shows an output valued at $130,025,897. This is a decrease of $23,500,252 or over 15 per cent when compared with the returns reported in the preceding year, according to a statement issued by the Dominion Bureau of Statistics. The industries, however, were not as severely affected as these figures would indicate. Drastic declines in the value of raw materials with consequent decline in the value of finished products accounted for a greater part of the decrease. The value of raw materials used in 1931 was $61,269,473 compared with $80,950,269 in 1930.

Interpret Labor Figures

The total number of persons employed in manufacturing operations in the Maritimes was 30,452 in 1931 or 11,094 fewer than in 1930. Salaries and wages paid them totalled $28,397,692 or a decrease of $4,916,,545 from 1930. It is pointed out by the Bureau of Statistics that the large decrease in the number of employees in 1931 is not due entirely to the decline in manufacturing production, but in part to the change in method of computing the average annual employment of wage-earners. Between 1925 and 1930 the average was obtained by summing the averages of individual plants, based on the number of months in actual operation and not by dividing by 12 the sum of the monthly employment figures. The latter method was employed in 1931 thereby affecting the average annual employment as well as the average wages paid in seasonal industries, such as fruit canning, vegetable canning, fish canning, sawmills, etc.

Seasonal Industries Influence

Provinces where seasonal industries predominate, like these in the Maritimes, show a proportionately greater decrease in the number of employees in 1931 compared with the decrease in salaries and wages paid, while industries that operate throughout the entire year are not affected by this change.

Of the leading Maritime industries, fish curing and packing which ranks second in gross value of production and sawmills which rank sixth are both seasonal industries. For this reason the number of employees engaged in the manufacturing industries of the Maritime Provinces declined 26.7 per cent while salaries and wages paid declined only 14.7 per cent.

Capital Near Record

At the end of 1931 the capital invested in Maritime manufactures totalled $262,703,487—the second highest total ever reported. The number of plants in operation aggregated 2,611, a new record, while the gross value of production was $130,025,897. This compares with an output of $153,526,149 from 2,493 plants in the preceding year.

From a standpoint of value of production, pulp and paper was the leading industry in the Maritimes during 1931 with an output of $18,187,277.

Next in order come fish curing, etc., with $9,121,121; primary iron and steel with $8,215,412 and central electric stations with $7,155,700.

Salient particulars of the 10 leading industries in the Maritimes in 1931 follow:

	Plants No.	Capital Invested	Cost of Materials	Gross Value of Products
	$	$	$	$
Pulp and paper	12	62,633,617	6,861,370	18,187,277
Fish curing and packing	469	5,812,060	6,092,416	9,121,121
Primary iron and steel	6	18,430,500	3,427,289	8,215,412
Central electric stations	131	60,012,819	....	7,155,700
Railway rolling stock	5	10,447,146	3,831,662	6,801,593
Sawmills	942	12,935,579	3,492,930	6,110,659
Butter and cheese	100	2,557,251	3,270,736	4,931,956
Biscuits, confectionery, etc.	23	6,698,689	1,673,264	4,613,192
Printing and publishing	57	3,762,000	598,524	3,520,901
Bread and other bakery products*	149	1,935,128	1,556,287	3,287,499
Other leading industries	4	17,714,033	12,070,064	18,228,441
TOTAL, LEADING INDUSTRIES	1,898	202,938,822	42,874,542	90,173,751
TOTAL, ALL INDUSTRIES	2,611	262,703,487	61,269,473	130,025,897

*Includes sugar refineries and petroleum products.

P. E. I. Fares Well

In breaking down the returns, the bureau reports that manufacturing establishments in Prince Edward Island in 1931 numbered 290, an increase of 23 from the previous year. They had a capital investment of $4,019,288, employed 1,170 people who were paid $809,122 in salaries and wages, $2,349,367 was expended for raw materials, while the value of the finished merchandise produced amounted to $4,136,576.

Compared with 1930 production decreased by $118,390 or 2.7 per cent, while the number of people employed also showed a decrease of 885 or 43.1 per cent (see foregoing explanation). The capital investment, however, registered an increase of $577,330, but the cost of materials decreased by $197,460.

Nova Scotia Total Off

Nova Scotia reported 1,449 industrial plants in 1931, an increase of 147 over 1930. Despite this increase, production decreased from $85,802,921 to $70,679,508. Capital investment decreased by $3,846,436 to $129,824,727. Employees, both salaried and otherwise, showed a decrease of 4,894 at 16,175. Salaries and wages dropped to $14,881,673 in 1931, a decrease of $2,656,017 and the cost of raw materials also decreased by $11,217,928, the total amount expended in 1931 being $33,288,250.

The principal industry in N. S. from a standpoint of production is that of primary iron and steel. Production in 1931 amounted to $8,215,412, or a decrease of $3,598,822 from the figures for 1930. The fish industry follows with an output of $5,901,891, or $1,700,768 less than in the previous year. Pulp and paper is the third largest industry with an output of $4,777,752, followed by central electric stations with $3,954,158.

N. B. Feels Change

New Brunswick's 872 plants had a production in 1931 valued at $55,209,818, a decrease of 52 in the number of establishments and $8,258,444 in output from the previous year. The capital investment fell from $140,611,530 to $128,859,472. The total number of employees was 13,107 or 5,315 fewer than in 1930. Salaries and wages also decreased by $2,281,544, the total being $14,988,441. The cost of raw materials dropped from $33,897,264 in 1930 to $25,631,856 in 1931.

In 1931 the pulp and paper industry led all others in production with an output of $13,409,525, or almost 24.3 per cent of the total. Sawmills followed with an output of $3,534,442, followed in order by central electric stations with $2,931,097; fish curing and packing with $2,351,659; coffee, tea and spices with $2,229,186.

Halifax Takes Lead

Halifax was the principal manufacturing city in the Maritimes in 1931, producing $14,107,640 in finished merchandise, followed by Dartmouth with $12,627,690.

Following is a list of the principal industrial centres in the Maritimes for 1931, together with the number of plants, capital invested, cost of materials and value of finished products:

	Plants No.	Capital Invested	Cost of Materials	Gross Value of Products
	$	$	$	$
Halifax, N.S.	113	21,701,141	4,908,869	14,107,640
Dartmouth, N.S.	14	13,677,921	8,139,117	12,627,690
Saint John, N.B.	130	19,716,885	9,473,612	12,270,076
Sydney, N.S.	36	24,138,439	3,595,157	9,464,661
Moncton, N.B.	51	7,839,412	2,804,880	6,723,864
Trenton, N.S.	4	9,032,560	3,654,464	5,703,298
Liverpool, N.S.	9	17,596,064	1,723,528	4,884,944
Edmundston, N.B.	11	16,383,961	1,672,051	3,594,178
Truro, N.S.	27	3,344,489	1,491,034	2,948,409
St. Stephen, N.B.	19	2,357,423	1,094,183	2,579,821
Amherst, N.S.	25	6,032,063	926,384	2,239,597
New Glasgow, N.S.	29	2,926,134	579,000	1,858,461
Charlottetown, P.E.I.	36	2,157,910	872,542	1,765,850
Fredericton, N.B.	29	2,,511,552	596,866	1,411,142
Windsor, N.S.	14	4,015,712	617,169	1,314,026
Yarmouth, N.S.	31	2,727,033	440,587	1,293,333
Milltown, N.B.	3	2,238,272	741,455	1,252,298
Grand Falls, N.B.	11	15,225,922	97,904	1,119,017
Bathurst, N.B.	16	9,027,321	560,279	1,059,870
Sussex, N.B.	11	637,135	350,239	758,095
TOTAL, TWENTY LEADING CITIES AND TOWNS, ETC.	619	183,287,349	44,339,320	88,976,270
TOTAL FOR THE MARITIME PROVINCES	2,611	262,703,487	61,269,473	130,025,897

New Docks Rise From Saint John Fire Ruins

Little time was lost following the disastrous fire which in 1931 destroyed the docks and wharves at Saint John, N.B., in commencing reconstruction. The results are shown in the above picture. Today this important Maritime port is rapidly being equipped with the most modern facilities for the handling of freight and passenger vessels.

Provincial Leader

HON. L. P. D. TILLEY
Newly appointed premier of New Brunswick.

FISH INDUSTRY ADDS $4,156,240 TO N. B. INCOME

Returns Show Relative Stability For Some Years Past

New Brunswick's fisheries in 1931, the last year for which complete statistics are available, had a total value of $4,156,240. This compared with $4,853,575 in 1930 and $5,935,635 in 1929. The decline in the aggregate value of production is accounted, in some measure, to the lower values prevailing in domestic and export markets.

First in order of value in 1931 was the lobster fishery, with products valued at $1,376,257, an increase over the preceding year of $169,261. The value of the lobster products comprises lobsters shipped in shell, $738,225; canned, $627,860; lobster meat, $8,950 and lobster paste, $1,222.

Sardine Catch Important

The sardine fishery is second in importance with a production in 1931 valued at $837,210. The canned product is the principal form in which the sardine catch is marketed.

Salmon is third with a marketed value of $457,751 in 1931, and smelts fourth with $415,975. The catch of smelts was greater than in 1930, but the marketed value was less. Other kinds of fish showing an increase in catch were cod, herring, tom cod and shad.

The catch of fish of all kinds in New Brunswick in 1931, according to returns compiled by the Dominion Bureau of Statistics, amounted to 1,140,878 cwt., of a value to the fishermen of $2,006,785. This compares with a catch of 1.244,824 cwt., with a value to the fishermen of $2,520,230 in 1930.

More Capital Invested

The capital invested in the fisheries of New Brunswick in 1931 was $6,125,993, apportioned as follows: value of vessels, boats, nets, traps, piers and wharves, etc., engaged in the primary operations of catching and landing the fish, $3,890,629; investments in fish canning and curing establishments, $2,235,364. Total capital shows an increase over the previous year of $198,350, while the number of establishments in operation increased from 162 in 1930 to 165 in 1931.

Annual Values Steady

The relative stability of the fishery industry of New Brunswick is shown in the following table giving the value of the production from 1922 to 1931:

1922	$4,685,660
1923	4,548,535
1924	5,383,809
1925	4,798,589
1926	5,325,478
1927	4,406,673
1928	5,001,641
1929	5,935,635
1930	4,853,575
1931	4,156,240

Insurance Sales Easier This Year

Volume of life insurance written in the Maritime Provinces during the first quarter of 1933 was between 18 and 19 per cent less than for the corresponding month of 1932. For the Dominion as a whole, life insurance sales were off around 25 per cent in comparing the first quarter of 1933 with that of 1932.

The dollar value of life insurance written in the three Maritime Provinces for the first three months this year amounted to $5,601,000. This compares with $6,877,000 for the same period a year ago, a drop of only $1,276,000.

Quebec Holds First Place As Nova Scotia Coal Outlet

Quebec continues to hold first place as the leading market for Nova Scotia coal. Returns for 1932, compiled by the Nova Scotia Government, show sales totalling 3,359,279 tons, of which 1,649,755 tons were marketed in Quebec. This is a smaller amount than was reported in 1931, but the ratio of Quebec sales to the total remains much the same.

After the domestic market, New Brunswick is the third most important outlet for Nova Scotia coals. Large quantities are sold for ship bunkering purposes, while Newfoundland and Prince Edward Island absorbed about 150,000 tons between them in 1932. It is interesting to note from the following table that sales to Newfoundland have dropped sharply in the last three years. The decline in domestic consumption and Quebec sales is a reflection of the restricted industrial operations in those areas.

Destination	1930	1931	1932
Nova Scotia	1,844,480	1,404,026	897,834
New Brunswick	627,444	646,071	503,935
Newfoundland	243,364	133,373	78,619
Prince Edward Island	103,720	85,640	71,327
Quebec	2,213,767	1,835,524	1,649,755
St. Pierre	1,638	1,703	3,275
United States	10,883	36,341	40,130
Ontario	......	......	2,326
Lost at Sea	6,905	......	......
Labrador	358	515	......
Bunker	228,949	174,236	112,078
Total	5,281,508	4,315,429	3,359,279

Farm Mortgage Debt Smallest in Maritimes

Average Over the Three Provinces is $1,265 Per Farm Mortgaged, While Dominion Average is $2,775 — Mortgage Debt Only 9 p.c. of Total Value

Total mortgage debt of all farms in the Maritimes amounted to $18,053,300, as compared with a farm value of $209,495,000, according to the 1931 census. Only 16.7 per cent of the farms in the area reported having any mortgage debt and the average per farm was $1,265; these figures compare with 33.51 per cent for the whole Dominion and an average mortgage of $2,775, and are considerably smaller than similar figures for other areas.

Prince Edward Island farms are mortgaged to a greater degree than those of New Brunswick or Nova Scotia, 33.15 per cent of the total in P.E.I. reporting mortgages compared with 17.45 in New Brunswick and 10.32 per cent in Nova Scotia. Average mortgage is highest in Nova Scotia at $1,622 and lowest in New Brunswick at $1,096.

Statistics of number and valuation of farms in the three provinces and in the Dominion are shown in the following table:

	Unit	Canada	P.E.I.	N.S.	N.B.
Total number of farms	No.	728,664	12,865	39,444	34,025
Total number of owners	No.	586,338	12,091	37,176	31,933
P.C. of total	%	80.46	93.98	94.25	93.85
Number of part owners and part tenants	No.	67,944	540	1,213	1,164
Number of tenants	No.	74,382	234	1,055	928
Farm Acreage, 1931					
Approx. land area of the country	Acres	1,401,316,388	1,397,990	13,483,520	17,863,040
P.C. in farms	%	11.67	85.21	31.91	23.24
Acreage in farms	Acres	163,568,369	1,191,202	4,302,031	4,151,596
Acreage per farm	Acres	224.48	92.59	109.07	122.02
Acreage owned	Acres	125,971,598	1,151,386	4,164,170	3,979,410
P.C. of total acreage	%	77.01	96.60	96.79	95.85
Acreage rented	Acres	37,596,771	39,816	137,861	172,186
Acreage improved	Acres	85,803,645	765,772	844,632	1,331,653
P.C. of total acreage occupied	%	52.46	64.29	19.63	32.08
Acreage owned improved	Acres	67,826,501	741,073	812,444	1,274,513
P.C. of all improved land	%	79.05	96.77	96.19	95.72
Average acreage of improved land per farm	Acres	117.75	59.52	21.41	39.14
Farm Values, 1931					
Value of farm property (land and buildings	$	4,046,223,300	49,920,400	82,514,500	77,060,800
Average per farm	$	5,553	3,336	2,092	2,265
Average per acre of land	$	24.74	36.03	19.18	18.56
Aver. per acre of improved land	$	47.15	56.05	97.69	57.87
Value of land (exclusive of bldgs.)	$	2,704,760,300	28,233,900	38,624,000	38,380,300
Average per farm	$	3,172	1.806	979	1,128
Average per acre	$	16.54	19.50	8.98	9.24
Aver. per acre of improved land	$	31.52	30.34	45.73	28.82
Value of buildings	$	1,341,463,000	19,686,500	43,890,500	38,680,500
Average per farm	$	1,841	1,530	,113	1,137
Farm Mortgage Debt, 1931					
Amount of mortgage debt	$	677,564,100	4,880,600	6,604,400	6,512,300
No. of farms report. mort. debt.	No.	244,20[illegible]	4,265	4,071	5,939
P.C. of total	%	33.51	33.15	10.32	17.45
No. of owners and part owners	No.	654,279	12,631	38,389	33,097
P.C. of owned and partly owned reporting mortgage	%	37.32	33.77	10.60	17.94
Aver. mortgage of farm report.	$	2,775	1,144	1,622	1,096
Ratio of mortgage to value of all farms	%	16.75	11.37	8.00	8.45
Farm Taxes, 1930					
Total amount of taxes	$	54,360,600	198,740	1,296,870	1,161,720
Taxes per acre of owned land	$	.43	.17	30	.29
Taxes per acre of owned land improved	$	.80	.27	1.60	.91

Patent Leather Exports Gain to All Chief World Markets

Canada has replaced United States as leading exporter of patent leather to the United Kingdom, new trade returns show, and the increase is being hailed as a direct result of the Imperial Conference agreements. In addition to increased exports of patent leathers, certain classes of calf leathers have also gained in export to Great Britain.

Leather exports to foreign markets have also gained, the amount exported to United States in the past fiscal year being actually larger than a year ago. Export figures for April and May this year indicate a further increase in leather exports to both the United Kingdom and foreign countries.

Can't Pay Tax-Free Bonds As Income Tax Free Divs.

Tax-free bonds paid out by a corporation in the form of dividends are not exempt from Dominion income tax, according to a recent decision by the Supreme Court of Canada. By this decision the Supreme Court affirms what was considered a foregone conclusion by many observers of the case.

The decision was made on an appeal by D. J. Waterous, of Brantford, from a ruling in lower courts. The appellant was assessed $4,798.10 income tax on $30,000 in Victory bonds paid to him as dividends by Waterous Ltd., of Brantford, in 1928. Protest was made, at the time of payment of the tax, to the Minister of National Revenue and later to the Exchequer Court. Both ruled against allowing exemption of tax-free bonds when paid by a company as dividends. The Supreme Court confirmed the two previous decisions.

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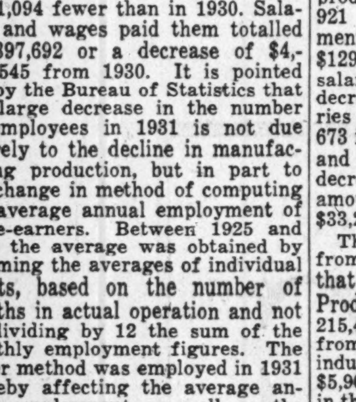

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Can be burned smokelessly in automatic stokers.

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Average analysis:
Moisture as mined : : : : 2.5%
Volatile matter, dry basis : : 35.0%
Fixed carbon : : : : : 58.5%
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Unemployment Measures Call for Credit Increase

Royal Bank Monthly Letter Discusses Legislation in United States Designed to Stimulate Business Activity

From Our Own Correspondent

MONTREAL—Governmental measures to relieve unemployment by undertaking new public works must inevitably prove ineffective if the work is undertaken without a corresponding increase in the volume of credit outstanding, according to the monthly letter of the Royal Bank of Canada dealing primarily with business conditions in the United States.

After pointing out various signs of increasing tempo in business conditions, the monthly letter refers to the legislative steps taken by the Federal Government to stimulate the volume of trade.

Related to Money

The letter states that most of the measures taken to stimulate industrial activity are peculiarly related to those dealing with money and goes on to say:

"Since the price level is largely dependent upon the ratio between the effective volume of money and credit on the one hand, and industrial activity on the other, governmental measures to relieve unemployment by undertaking new public works must inevitably prove ineffective if the work is undertaken without a corresponding increase in the volume of credit outstanding. If such activities are undertaken when the volume of credit remains constant, or is actually being diminished, it follows that part of the existing volume of credit is, in reality, diverted from industry and commerce to governmental purposes and that no improvement in total activity will result.

"On the other hand, when business confidence is at as low an ebb as has been reached during this past year, it is doubtful whether credit measures alone will produce increased prices and increased business. Under such conditions an increased volume of credit proves redundant. With these factors in mind it is necessary to realize that the measures which have been passed to stimulate business have been accompanied by other measures which give authority for the required increase in the volume of credit. The expectation that the credit and production factors will be kept abreast has made the activities of the administration at Washington peculiarly effective. A like process of reasoning classifies relief measures under this heading, since relief measures, which do not provide an increased volume of credit, tend to divert funds from industry to government bonds, the proceeds of which are used for relief, and thus to reduce rather than accelerate business activity."

Discussion is Centred

General financial discussion throughout the world, says the monthly letter, seems to centre upon three points: will the action taken produce rising prices in the United States? Will the rise in prices be held within due bounds? Finally, what will be the ultimate influence of this legislation upon gold prices?

In presenting current opinion of these points, the Royal Bank letter has the following to say:

"Up to the present time the rise in prices has been in anticipation of the results of promised action. A number of the measures designed to restore confidence are deflationary in character and without some counteracting influence would have produced a further decline in prices. Their influence has been more than offset by the promise of steps designed to raise prices. If the anticipated measures do not materialize, the full force of the deflation will reassert itself. There is little ground for doubt, however, that the purchase of United States government securities at some rate such as $100,000,000 a week, together with a possible announcement that this policy will be continued until prices have risen to an advanced level, would produce a higher price level, particularly if such action is taken in conjunction with substantial governmental expenditures on public works.

"The influence of the additional volume of avaliable credit will make itself more and more effective as business activity increases. It should not be forgotten that a three billion dollar addition to the cash reserves of the banks could produce an addition of some thirty billion dollars to the total credit structure when the banks are again functioning in a normal manner. The plan is on a scale more than adequate to produce the results desired, and in all probability would not have to be carried out in its entirety. It should be pointed out that the contemplated volume of circulation in the United States is adequate to produce a price level much more than three times as high as that which prevailed in 1926, with the present volume of production. As prices rise, however, the volume of production will increase rapidly and the contemplated volume of currency would prove sufficient to produce prices perhaps twice as high as those of 1926.

Fear of Inflation

"The fear that prices will rise so rapidly as to get beyond control was responsible for the undue decline in the gold value of the United States dollar. With the embargo on gold, the value of the United States dollar fell to 18 per cent less than the value of the corresponding amount of gold. This might be interpreted as a further decline in world gold prices since general commodity prices in the United States have risen by only 4 per cent. The rise in price of the commodities of importance in foreign trade, however, has been quite rapid so that the net influence of the action taken by the United States has been distinctly beneficial.

Point Out Dangers

"It is this possibility of a disproportionate fall in gold prices, which may be an indirect result of currency expansion, that constitutes the danger against which deflationists have been warning the world. It is only by means of currency expansion at a slightly greater rate than expansion in production that an effective price rise can be secured, and it is only by this means that dollar prices can continue to increase without precipitating a further decline in gold prices. Moreover, if the new gold supplies of the world are diverted to the few countries now remaining on the gold standard, a rise in gold prices must take place.

Capacity to Control

"The remaining question is that as to the capacity of the government to prevent an undue rise in prices carrying the price level far above that of 1926. To the extent that the new credit is created as the result of the purchase of government securities by the reserve banks, the sale of a like amount of securities will permit the reserve system to curtail credit. It is for this reason that some of the best economic authorities hope that the United States will confine its price-raising efforts to an open market policy.

Question of Gold

"International financial authorities seem to hold the uniform opinion that there should be no resort to changing the weight of gold in the dollar unless there is international agreement to do likewise. Without doubt the difficulties in preventing an undue rise in prices would be greatly accentuated if the value of the dollar were once changed. Some time ago John Maynard Keynes suggested that if the Federal Reserve Banks of the United States were given the power to regulate the volume of reserves required by the member banks, this authority would give the reserve banks a leverage for the control of the price level. At the time the suggestion was made it was quite evident that a reduction in reserves would permit an expansion in credit tending to raise prices. If it is the purpose of the United States Government to stabilize prices at about the level which prevailed in 1926, it is most important that the means to secure such stability be studied with great care in order to prevent the rise in prices getting out of hand. The necessity for particularly powerful means of control will be greatly increased if the gold value of the dollar is changed."

Maritime Farmers Favor Use of Farm Appliances

Farm mechanization has made great strides in the Maritime Provinces in the last decade, judging by returns compiled by the Bureau of Statistics. Although the average size of farms in the Atlantic provinces is less than that found in other parts of the Dominion, this has proven no barrier to the introduction and use of motor trucks, tractors, gasoline engines, electric motors and other forms of farm equipment.

Nor have the Eastern farmers been backward in taking advantage of the comfort and convenience of electricity, radios or telephones. In some instances, of course, it is not possible at this stage to provide some rural areas with telephones, or electricity, but where it is possible to provide these conveniences at reasonable cost, the farmers have not been slow to avail themselves of the services.

The accompanying list covering farm facilities and types of farm machinery reported by Maritime Farmers in 1931 will be found of interest in conveying an idea of the extent to which labor saving devices are in use. Complete returns were not received by the bureau, but those reporting provide a valuable cross section of conditions in the three provinces:

		Prince Edward Island	Nova Scotia	New Brunswick
Total number of farms		12,865	39,444	34,025
FARM MACHINERY				
Automobiles	Number, 1931	3,885	10,297	10,425
	Number, 1921	687	3,464	4,111
	Farms reporting, 1931	3,741	9,982	9,998
	Farms reporting, 1921	661	3,266	3,959
Motor trucks	Number, 1931	369	1,704	1,126
	Farms reporting, 1931	356	1,633	1,093
Tractors	Number, 1931	176	423	289
	Number, 1921	49	164	104
	Farms reporting, 1931	169	414	279
	Farms reporting, 1921	47	155	103
Gasoline engines	Number, 1931	4,193	2,839	4,491
	Farms reporting, 1931	3,641	2,569	4,238
	Farms reporting, 1921	2,972	2,982	4,135
Binders	Number,	7,204	2,012	3,814
	Farms reporting,	7,189	2,011	3,807
Threshing machines	Number,	3,237	838	3,267
	Farms reporting,	3,283	837	3,259
Cream separators	Number,	8,140	19,392	18,343
	Farms reporting,	8,125	19,349	18,307
Milking machines	Number,	27	41	76
	Farms reporting,	27	41	76
Silos	Number,	44	277	169
	Farms reporting,	42	260	164
Electric motors	Number,	184	429	501
	Farms reporting,	156	355	389
FARM FACILITIES				
Gas or Electric Light	1931	513	3,760	2,517
	1921	193	1,296	507
Radio		1,407	4,770	2,658
Telephone	1931	2,777	10,266	7,126
	1921	1,535	8,243	6,171

Demand For Meat Products

In the fiscal year ended March 31, 1933, Canadian exports of bacon and ham totalled 40,210,000 pounds as compared with 18,514,600 pounds in the preceding fiscal year. Fresh beef exports increased from 3,344,600 pounds to 5,087,900 pounds and fresh pork from 2,057,600 pounds to 3,831,500 pounds.

Canadians Favor Pork

Canadians in 1932, according to the latest statistics, ate more pork and less beef and eggs than in the preceding three years. In 1932 also, more turkeys, ducks and geese were eaten than in 1931, but less than in 1930 and 1929. Again, in 1932 the consumption of chickens was less than in the preceding year.

BACK-TO-LAND PLAN FAVORED IN MARITIMES

Colonization Efforts Are Meeting Favorable Reception

RETURNS SMALLER

Lower Values for Products Affect Farm Revenue — Diversity Proves Helpful

No effort is being spared by the Maritime Provinces in encouraging the back-to-the-land movement. Though the three governments have worked quietly, nevertheless they have been able to accomplish a great deal of effective work in placing the proper type of man on land which gives them every opportunity to make a success of farming.

New Brunswick's colonization efforts have been mainly directed to placing families on specially-selected farms. Great care is exercised to see that the applicant for assistance is fully qualified. Several hundred families have been placed and the results to date have encouraged the government to continue its efforts.

N. S. Advances Loans

Nova Scotia has directed its colonization efforts along two lines. It conducts a policy similar to that of New Brunswick in placing families on the land. At the last session of the legislature, the government went even further and created a fund for the advancing of loans to qualified applicants who wished to set up on a farm, or wished to carry out improvements or extensions to their present holdings.

It is too early to determine how the second policy is working out. Loan boards have been established in different parts of the province and it is expected that a number of Nova Scotians will be assisted in securing a farm home of their own under terms which are especially advantageous to the borrower.

Prince Edward Island's colonization efforts have not been on the same scale as in the neighboring provinces. The permanent settlement of farm lands, however, is being carried out methodically with most encouraging results.

Conditions Are Favorable

Soil and climate of the Maritime Provinces is particularly well adapted to farming in all its branches. Probably nowhere else in the Dominion is there such a diversity of farm activities. Conditions are ideally suited to the growing of field crops, dairying, fur farming, fruit growing, livestock raising; in fact, every division of farm life.

Dairy Industry Grows

While field crops remain the staple operation of farm operations in all three provinces, development of other branches has reached a high level. Dairying is carried on in every section of the Maritimes and the value of butter, cheese, milk, etc., produced each year compares very favorably with the value of field crops. The governments have been active in fostering dairying and it is possible that the value of dairy production may, before long, exceed that of field crops.

Fruit Growing Widespread

Fruit growing is another branch of agriculture carried on in virtually every farming community. Aside from excellent growing conditions, the Maritimes have definite advantages in respect to marketing their fruits in the United Kingdom, which has been, in the main, a principal cause for the growth of fruit growing.

While all provinces engage in this form of farm activity, its greatest development has taken place in the Annapolis Valley of Nova Scotia. This is the centre of apple growing in Canada and is one of the most productive areas in the world. The annual production normally exceeds a 1,000,000 barrels of apples, nearly all of which are shipped to the British market.

At present only about 20 per cent of the arable land in the Valley is being utilized for apple growing. It is contended that the British market can absorb all the apples the Valley can produce. Whether or not this is the case, the fact remains that Annapolis Valley enjoys great favor in the British market.

Livestock Raising

Livestock raising, while an important branch of agriculture, has not developed to the same proportions as in other parts of the Dominion. This is not due to any unfavorable conditions, but simply to the smaller size of farm holdings and the more profitable returns from other forms of activity. The number of livestock in the Maritimes has not varied much from year to year and, with few exceptions, the raising of farm stock is regarded as a subsidiary operation to other and more important operations.

Ideal Fur Farming

Fur farming, originating in Prince Edward Island, has achieved an important niche in Maritime farm life. Conditions have been found to be ideally suited for the raising of fur bearing animals. The long experience of the Maritimes with this type of work has enabled them to successfully establish fur farming on a permanent basis. While the price of pelts and breeding stock is relatively low in comparison with the boom period some years ago, all three provinces secure a substantial revenue from this source.

Poultry farming is engaged in extensively in all three provinces. Export markets being limited, production has been restricted to domestic demands. With a further growth in population, this branch of farming is capable of much greater development.

Diversity is of Value

The diversity of farm operations in the Maritimes has been the principal reason why this field of endeavor has been less subject to the wide fluctuations experienced in other lines. Nearly all that the farmer produces is consumed at home. A small export business and inter-provincial business is carried on in certain products, but the volume and value have little bearing upon general results.

During the past year the gross agricultural revenue of the three provinces aggregated about $50,000,000. Nearly half of this came from field crops. Somewhat less was secured from dairying and the balance spread over wool, fruits, poultry and eggs, honey, farm animals, etc.

Some idea of the extent of farm operations in the Maritimes is to be gathered from the following table which shows the main field crops produced in the three provinces during 1931 and 1932:

PRINCE EDWARD ISLAND MAIN FIELD CROPS

	Quantity 1931	Quantity 1932	Value 1931	Value 1932
Wheat, bus.	328,000	431,000	$279,000	$284,000
Oats, bus.	4,800,000	5,083,000	1,392,000	1,118,000
Grain, bus.	712,000	821,000	235,000	279,000
Potatoes, cwt.	4,884,000	3,188,000	1,221,000	1,658,000
Turnips, etc., cwt.	1,796,000	2,670,000	359,000	587,000
Hay & clover, tons	363,000	317,000	3,267,000	2,378,000

NOVA SCOTIA MAIN FIELD CROPS

	Quantity 1931	Quantity 1932	Value 1931	Value 1932
Oats, bus.	2,906,000	3,013,000	$1,453,000	$1,386,000
Barley, bus.	221,000	229,000	139,000	135,000
Potatoes, cwt.	1,946,000	2,122,000	973,000	1,485,000
Turnips, etc., cwt.	2,242,000	2,575,000	673,000	1,210,000
Hay & clover, tons	664,000	720,000	6,640,000	5,760,000

NEW BRUNSWICK'S MAIN FIELD CROPS

	Quantity 1931	Quantity 1932	Value 1931	Value 1932
Oats, bus.	6,718,000	6,776,000	$2,553,000	$2,236,000
Potatoes, cwt.	6,341,000	3,856,000	1,585,000	1,928,000
Turnips, etc., cwt.	2,198,000	2,575,000	440,000	1,030,000
Hay & clover, tons	760,000	881,000	5,320,000	6,519,000

Nova Scotia's Revenues On Lower Scale in 1932

General recession in the value of Nova Scotia products is indicated in the preliminary returns for 1932. In some instances quantity production was larger than in the previous year, but generally speaking, there was a falling off in output, with a consequent decline in values. This was a reflection of the domestic situation and unsettlement in the export markets. The decline, however, was not as pronounced as reported by other provinces. Taken in the aggregate, Nova Scotia's revenue from the land, fisheries, manufacturing and tourist travel was about 10 per cent less in 1932 than in the previous year.

Comparative figures on the sources of Nova Scotia's revenue for the last three years are shown in the following table:

PRODUCTS AND MANUFACTURES OF NOVA SCOTIA

	1930	1931	1932
Fisheries	$10,500,000	$ 9,500,000	$ 7,000,000
Minerals & Min. Prod.	54,000,000	51,210,000	47,000,000
Manufactures, etc	67,000,000	64,500,000	55,000,000
Building Materials	4,210,000	4,000,000	3,500,000
Farm Prod., Live Stock	30,100,000	31,000,000	28,000,000
Forest Products	15,579,198	15,000,000	10,000,000
Game, Fish, etc.	400,000	400,000	700,000
Tourist Travel	14,000,000	16,000,000	14,080,000

Thinks Export Hopes Failed to Materialize

Winter Grain Movement Mainly Confined to Vancouver Despite Cheap Freight Rates Through Maritimes — Future is Not Bright

By C. P. WRIGHT

The provision in the Ottawa Conference agreement for a British preference of six cents a bushel on Empire-grown wheat and the subsequent decision of the British Treasury to restrict the preference, upon Canadian wheat, to wheat shipped through Canadian ports, aroused high hopes in Halifax and Saint John last November and December of a great increase in grain traffic through those ports; and these hopes were further encouraged by a sudden large movement of grain from Georgian Bay storage elevators, consigned for export to Halifax and Saint John.

Though this movement was commonly explained as a consequence of the British preference, it appears to have been due much more to the lowered value of the Canadian dollar, which gave routings through Canadian ports an exchange advantage over the Buffalo-New York route, and to the maintenance until November 30 of a low summer rate by rail to Maritime ports, competitive with the water rates to New York and Montreal. This rate continued in effect until November 30, and was then withdrawn on terms which permitted the dispatch of grain at that rate even during December.

Heavy Shipments

To take advantage of this low rate, about one million bushels of grain were shipped from bay ports to the seaboard in November, and over 5½ million bushels in December. But after this rush had subsided, there was practically no further movement over this route all the rest of the winter.

The bulk of the shipments were made through the C.P.R. elevator at West Saint John, which received nearly six million bushels of grain and shipped out practically all of it. The elevator in Saint John, served by the C.N.R., received less than 1½ million bushels, and ended the season with nearly 200 thousand in store. And the Harbor Commissioners' elevator in Halifax received about two million bushels by rail, and concluded its active season with more than 700 thousand in its bins.

It will be noticed that these figures do not agree closely with the figures given above for shipments to the seaboard from Maritime ports. But such discrepancies as these are not unusual in the assembling of statistical data on grain movements sent in from various points. Yet another divergence appears in the statements of export clearances, which announce a total export from Saint John (including West Saint John) of 6.86 million bushels, and from Halifax of 1.66 million bushels. The actual destination of these exports has not been presented, but about two-thirds of the total from both ports was cleared for United Kingdom ports.

Meanwhile, during the twenty-week period from December 9 to April 21, which comprised last winter's working season from Saint John and Halifax, the port of Vancouver exported nearly 41 million bushels of grain—more than two million bushels a week. This is an ill portent for the grain trade of the Maritime ports. The westward movement of wheat-growing in the prairie provinces and the development of the grain trade of Vancouver, reacting on one another, have made it possible to supply Canadian grain in the winter months of the year without needing recourse to the transfer elevators at Saint John and Halifax, separated as they are by 800 and 1,200 miles respectively from their storage reserves on the Georgian Bay. Thus with the rapid rise of Vancouver there seems to have ended a long drawn out chapter in the history of the attempt of the Maritime ports to secure a generous share of Canadian exports of grain, a chapter that opened in 1903 with the planning of the National Transcontinental Railway, if not indeed earlier even than this.

Vancouver Diverts Traffic

Up to the present, Vancouver appears to have diverted traffic principally from United States Atlantic ports, and only incidentally from the Maritime ports. And Montreal has also succeeded in increasing its trade in grain at the expense of New York and its neighbors. But the time may soon approach when Vancouver, through the westward movement of wheat-growing and for other reasons, will begin to secure grain traffic that had previously been routed by the St. Lawrence.

Once this pressure is felt in Montreal, it may be expected that a new movement will appear to improve and increase the handling and storage facilities at all points in eastern Canada, and to work out a closer and better co-ordination of winter and summer facilities. So long as West Saint John remains the winter terminal for Canadian Pacific liners, some share in the winter grain traffic seems assured to that port. But the best prospects for the grain trade of Saint John, in so far as it is served by the Canadian National, and of Halifax appear to be largely in a closer alliance and adaptation of the St. Lawrence and seaboard ports.

Room for Expansion In Dairy Production

It would require approximately 23,000 cows producing 120,00,000 pounds of milk every year to supply the milk necessary to manufacture the dairy products which Nova Scotia must import for consumption, according to W. J. Bird, dairy superintendent for Nova Scotia.

Conservative estimates place the amount of creamery butter imported for consumption into Nova Scotia at 5,000,000 lbs. annually. There are no cheese factories operating in the province, so that some 2,000,000 pounds of cheese must be imported to take care of domestic requirements. There are also imported large quantities of powdered and condensed milk for domestic use, and for the manufacture of confectionery, etc.

REQUEST REVISION MANY TARIFF ITEMS

Britain Seeks Lower Duties on Textiles, Boots and Shoes

Requests for the review of Canadian duties on a long list of articles with a view to lowering the present tariffs have been received from the United Kingdom recently. These requests are made in accordance with a provision in the Canada United Kingdom Trade Agreement signed at Ottawa.

Boots, shoes, slippers, tin and lead alloys and other articles are included in the list. The complete terms of which are as follows: water meters, other instruments and parts thereof, tariff items, 352 and 429; rovings, yarns and warps wholly of jute and not more advanced than singles, 539; rovings, yarns, warps wholly of jute including yarn twists, cords and twines, generally used for packaging and other purposes, 527-A; flax and hempen canvas coated or impregnated, 548; boots, shoes, slippers and insoles of any material 611-A; tin and lead alloys in ingots of 26 pounds and upwards and containing not less than 55 per cent tin and not more than 31.2 antimony, 711.

Serving Nova Scotia

NOVA SCOTIA LIGHT & POWER COMPANY, LIMITED, supplies electricity, transportation and gas to the citizens of the capital city, Halifax. Through subsidiary companies, it is playing a leading part in the electrical development of the Province, and is now operating in nine counties.

Under the management and control of Nova Scotians, with a sound financial structure, this company is contributing in a material way to the development and prosperity of the territory it serves.

Dependable Progressive Service

Nova Scotia Light and Power Company, Limited

HALIFAX, N.S.

N. B. VARSITY HAS SURPLUS IN PAST YEAR

Provincial Institution Again Records Progress in 1932

University of New Brunswick had the unique experience during its last financial year ending August 31, 1932, of being able to report a small surplus on current account. Despite the financial stringency, it has not been necessary for the university to curtail work in any direction.

Last year was one of the most successful experienced by the university, the attendance reaching approximately 400. The graduating class was the largest on record, in all 88 degrees, exclusive of honorary degrees, being conferred. Degrees were given for the following courses: Arts, Law, Engineering, Science and Forestry.

The new university buildings recently erected by the Provincial Government — the Forestry and Geology Building and the Library —as well as the Lady Beaverbrook Building, are now in full operation. They are exceedingly well equipped for the purpose of instruction.

N. S. Orchards Are Widespread

Of the 279,472 acres in Canada devoted to orchards, Nova Scotia has 46,883 acres. The province has increased its proportion within the past ten years from 9.6 to 16.8 per cent of the whole of Canada. Quebec's contribution, during the same period, rose from 9.5 to 11.4 per cent while British Columbia's rise was from 12.5 to 17.5 per cent. Ontario declined from roughly three quarters to one half.

Hardwood Trade Improves

There are clear signs of a revival in the hardwood industry of the Province of New Brunswick as well as improvement in that of the softwoods. Enquiries directed to the Saint John Board of Trade from several British importers show prospects of large orders for hardwood while the New York firm of Pratt and Brake are enquiring regarding aspen for furniture purposes.

Record Lobster Shipment

The largest shipment of lobsters ever to leave the Port of Saint John for the United States market went forward recently, consisting of 188,330 pounds in 1,080 crates.

The Radio Station of "The Halifax Herald and the Halifax Mail the Key Station of the Maritimes" has proven its ability to back up sales promotion of National Advertisers

To entirely cover the field, you cannot afford to overlook Radio Goodwill Publicity

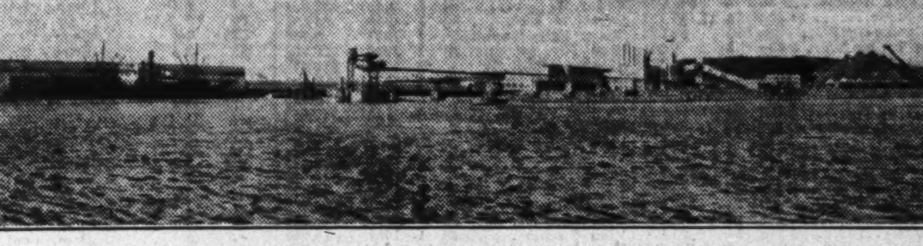
LET US QUOTE YOU RATES

Wm. C. BORRETT
Director
Radio Station CHNS, Halifax, N.S.

Mersey Paper Company

LIMITED

Liverpool, Nova Scotia



The Home of Mersey Newsprint Paper. Capacity 275 Tons Daily.

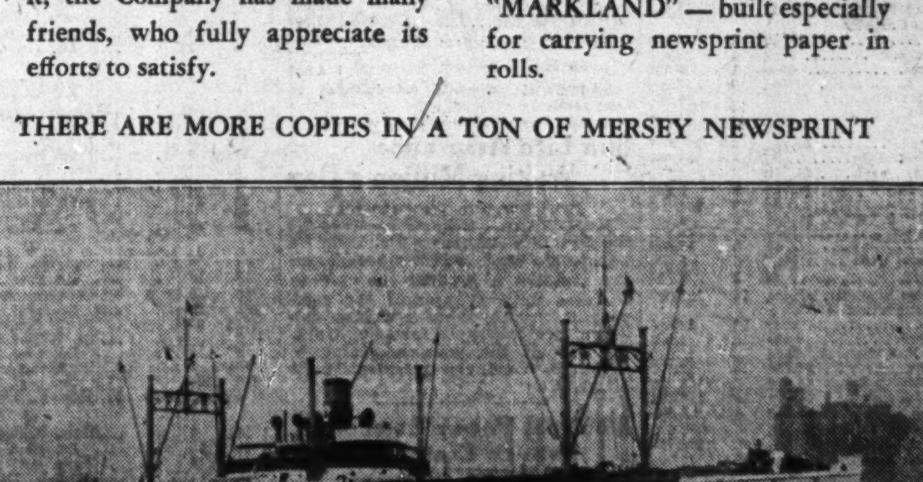
THE MERSEY PAPER COMPANY, LIMITED is now engaged in its fourth year of operation, and, since its inception, has been ever conscious of its duty to its customers — that of supplying the highest quality Newsprint Paper and the best possible Service. In realizing its duty, and earnestly striving to fulfill it, the Company has made many friends, who fully appreciate its efforts to satisfy.

THE MERSEY MILL is located at tidewater which enables it to make shipments by water throughout the entire year.

MERSEY IS THE NEAREST CANADIAN MILL TO ENGLAND, and ideally situated and equipped for exporting.

THE MERSEY COMPANY owns and operates the Twin-screw Steamship "MARKLAND" — built especially for carrying newsprint paper in rolls.

THERE ARE MORE COPIES IN A TON OF MERSEY NEWSPRINT



The T.S.S. "MARKLAND" in New York Harbour — the Company's Steamship built at Hull, England. Capacity 4,200 Tons.

A. J. Pattison, Jr. & Co.
(Established in 1907) LIMITED
Unlisted Bonds and Stocks
3rd Floor, Royal Bank Toronto, Can.

The Paper Companies
The Canadian paper industry appears to have at last turned the corner. We shall be glad to supply on request a concise review of the position and prospects of the industry as well as individual analytical studies of the following companies:—
ABITIBI CONSOLIDATED PAPER
ST. LAWRENCE CORPORATION
HOWARD SMITH DRYDEN
McCuaig Bros. & Co.
Established 1898
Members Montreal Stock Exchange-Montreal Curb Market
274 ST. JAMES STREET 1420 PEEL STREET

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING JUNE 26

[illegible]

July Dividend Payments Reflect Better Trend

Total of $12,672,273 Lower Than in 1932 But List Includes Initial Dividends and Payments on Arrears

Dividend payments by Canadian corporations to be made during July will total $12,672,273 according to figures compiled by The Fnancial Post. In July, 1932, dividend disbursements totalled $16,000,000 and payments in July, 1931, were $21,908,004. While dividends have been reduced by seven corporations, no dividends have passed and the good news includes initial dividends for two companies; payment on arrears by two and extra dividends by two.

Thrift Stores Ltd. has declared an initial dividend of 10 cents per share on its common stock and initial dividend of 25 cents per share has been declared on the common stock of Canadian Foreign Investment Corp. The latter company is also paying a dividend of 4 per cent on its preferred shares for the first half of the current year, arrears to December 31, 1932, having been paid on June 15. Extra dividends have been declared by Dome Mines and Montreal City & District Bank.

Canada Packers Ltd. is making an initial payment on account of arrears of dividends on the preferred stock. While preferred dividends have been paid regularly there is $10.50 of arrears dating from 1927-1928. Investment Foundation, in addition to the regular dividend of 38 cents per share, is paying 12 cents per share on account of arrears of preferred dividends. Whittall Can Co. has resumed dividends on its preferred stock with a quarterly payment of $1.62½ cents per share. Last dividend to be paid on this stock was made on July 2, 1931. Noranda Mines Ltd. has declared an interim dividend of 50 cents per share, Pioneer Gold Mines has increased its dividend to annual basis of 60 cents per share from 24 cents.

Reduction in dividend rates will be effected by Bank of Nova Scotia, Real Estate Loan Co. of Canada, Canadian General Electric, Nova Scotia Light & Power Co., National Trust Co., Canadian General Investments Ltd. and Intercolonial Coal Co. Dividend payments announced to date for the month of July are as follows:

SUMMARY OF PAYMENTS

Dividends	$12,672,273
Bond interest	36,303,589
Total	$48,975,862

DIVIDEND PAYMENTS

Company	Rate	Date	Amount
Agnew Surpass pref.	$1.75q	3	$ 17,053
Ajax Oil	2cq	15	19,756
Assoc. Brew. pfd.	$1.75q	3	19,996
Bk. of Nova Scotia	3q	3	360,000
Bell Telephone	$1.50q	15	1,155,115
Brant. Cordage pfd.	50cq	15	32,733
Brazilian Tr. pref.	1.50q	3	5,901
Brit. Amer. Oil (13)	20cq	3	524,528
Br. Col. Pwr. "A"	50cq	15	500,000
B.C. Elec. Pr. & Gas			
[illegible]	1.50q	3	75,000
Bldg. Prod. A & B	25cq	3	30,212
Burt, F. N.	50cq	3	53,772
...ref.	$1.75q	3	1,074
Calgary Pwr. c.	$1.50q	3	52,500
Canada Bud	15cq	15	22,500
Canada Dry	25cq	15	125,846
Can. Northern Pr.	20cq	25	75,000
Do., pref.	$1.75q	15	96,250
Canada Packers pref.	$1.75q	3	105,585
Do., arrears	$1.75	3	105,585
...m. Mtge.	$2.50q	3	175,000
...ners 1st pfd.	$1.50q	3	58,272
...d pfd.	5cq	3	18,186
...pref.	44cq	10	127,311
...ons. pref.	$1.50q	4	54,922
...banks	$1.50q	15	20,400
...Invest.	25c*	4	18,354
...f.	4s	4	69,648
...Elec.	75cq	3	141,633
...	87½cq	3	149,760
...Invest. (20)	7½cq	15	29,667
...t. A & B	87½cq	31	586,574
...	$1.75q	15	81,375
...& Pr.	50cs	15	16,624
...pref.	2q	1	40,000
...n. Loan	2q	3	50,000
...st.	$1.75q	3	17,500
...	25cq	20	238,333
...	25c	20	238,333
...Bank	$2.50q	3	175,000
...	$1.25q	3	53,125
...	$1.75q	3	45,500
...	30cq	3	84,714
...e	1q	3	270,000
...	$1.75q	15	33,960
...es pref.	$3.50s	31	17,500
...Dairy			
...	$1.62½q	3	12,788
...r	25cq	1	24,650
...	60cq	1	9,225
...J., pref.	$1.50q	3	13,920
...pref.	$1.50q	3	16,500
...vator	25cs	2	21,001
...	60cq	3	77,178
...	$1.75q	3	127,064
...Life	5q	3	50,000
...ref.	$1.75q	3	4,550
...y pref.	$1.75q	3	3,263
...s	5c	15	246,000
..."B"	12½cq	3	4,207
...	10cq	15	47,379
...tge.	$1.75q	3	17,500
...oal	50cs	3	5,000
...	4s	3	8,216
...c. pf.	87½cq	15	126,699
...ion			
...	38cq	15	12,683
...	12c	15	4,005
...Ser.	25cq	3	11,250
...	$1.75q	3	17,500
...Loan	$1.50q	3	15,000
...ef.	$1.50q	15	116,262
...pfd.	$1.75q	3	5,635
...Bk.	3+1q	3	80,000
...& Pr.	38cq	31	1,705,791
...ph.	80cq	15	40,000
...	$1.75q	3	86,898
...	40cq	3	288,548
...	44cq	3	48,840
...pfd.	$1.75q	1	51,681
...	2q	3	60,000
...	50c†	10	1,119,886
...	50cq	25	120,007
...	$1.50q	25	37,489
...	8⅞cq	3	17,500
...c.	75cq	3	25,891
...	2q	3	150,000
...	3q	3	60,000
...	$1.50q	1	52,500
...	$1.62½q	1	24,375
...	75cq	1	130,692
...	$1.75q	1	319
Pioneer Gold (B.C.)	15cq	3	262,762
Porto Rico Pwr. pfd.	$1.75q	3	17,500
Power Corp. pfd.	$1.50q	15	75,000
Do., 2nd pref.	75cq	15	75,000
Premier Gold	3cq	3	150,000
Prov. Paper pfd.	$1.75q	3	61,250
Real Estate Loan	$2.50s	3	12,500
Riverside Silk "A"	25cq	3	7,500
Robinson Cons. Conc.	25cq	3	12,500
Silverwood's, pref.	1q	3	33,325
Southern Can. Pr. pf.	$1.50q	15	106,333
Supertest Pete. pfd. "A"	$1.75q	3	5,845
Do., pref. "B"	$1.50q	3	3,000
Do., com. & ord.	25cq	3	27,500
Tamblyn pref.	$1.75q	3	8,852
Thayers pref.	$1.75s	3	17,500
Thrift Stores	10c*	1	2,000
Do., 1st pref.	$1.62½q	1	5,568
Do., 2nd pref.	$1.75q	1	2,100
Toronto Gen. Trusts	2q	3	60,000
Toronto Mortgage	$1.50q	3	29,595
Tuckett Tobacco pfd.	$1.75q	15	35,000
United Securities	50cq	15	25,631
West Kootenay pfd.	$1.75q	3	8,750
Western Grocers, pfd.	$1.75q	15	20,899
Weston, Geo., c.	25c	1	12,500
Whittall Can. pref.	$1.62½q	3	30,875
Wright Hargreaves	5cq	1	275,000
Total			$12,672,273

q—Quarterly. s—Half-yearly. *Initial. †Interim.

BOND INTEREST DUE IN JULY

Company	Rate	Date	Due	Amount
Acadia Sugar	7	1	1946	$ 22,340
Do.	6	1	1946	63,840
Aldred Invest. "A"	4½	2	1968	51,286
Avalon Tele. "A"	1½	1	1948	20,405
Avon River Pr. "A"	5½	1	1956	17,847
Do., "B"	5½	1	1957	5,138
Do., "C"	5½	1	1958	2,636
Beauhar. Elec. 'A'	6	2	1958	43,500
Canada Iron	6	1	1939	12,900
Can. Canners	6	2	1950	70,236
Can. Cottons	5	2	1940	71,277
Can. Int. Pap.	6	1	1949	727,566
Can. Light & Pr.	5	1	1949	74,787
Can. Nat. Rly. Gold	5	1	1969	1,500,000
Do.	4½	1	1957	1,462,500
Can. Nor. Alta.	3½	20	1960	55,122
Can. Nor. Ont.	3½	20	1961	599,622
Can. Nor. 1st mtg.	3½	20	1958	138,188
Do., S.F. Gold	6½	1	1946	787,735
Do., Wpg. Term.	4	1	1939	66,000
Can. Pac. Rlys.	4½	1	1960	562,500
Do., Eq. Trust	5	1	1944	750,000
Cedars Rapids	5	1	1953	346,000
Chat. St. L. Apts.	6½	1	1940	16,455
Cities Heating	6	1	1948	5,100
Dom. Rubber	5	1	1947	200,000
Dom. Tar & Chem. "A" & "B"				
Getty & Scott	6	2	1949	158,400
Harris Abattoir 'A'	7	2	1940	6,387
Inter. City Bak. 'A'	6	1	1947	101,727
Jam. Pub. Ser. 'B'	5½	1	1948	42,462
La Patrie Pub.	5	1	1950	49,250
London Cold Stor.	6½	1	1943	13,500
Manitoba Pr. "B"	6	1	1938	1,038
Maritime Tele.	5½	1	1952	68,750
Do., refund. "A"	6	1	1941	45,000
Metropol. Bldg.	5	1	1956	25,000
Do., Series "A"	7	15	1944	29,680
Montreal Apts.	7	15	1941	13,370
Montreal Trams. "A"	5½	1	1948	108,350
Moodie, J. R., "A"	5	1	1941	533,775
Nfld. L. & Pr. 'A'	6	1	1948	20,340
Do., mtg. debs.	6½	1	1949	43,728
Do., 1st mtg. 'B'	7	1	1949	16,992
North. Ont. L.&P.	5½	1	1971	22,000
North. Ont. Pwr.	6	1	1953	15,450
Ont. Steel Prod.	6	1	1953	105,000
Ottawa Gas	6	1	1943	7,134
Ott. Traction "A"	5	1	1934	3,750
Reliance Grain "A"	5½	1	1955	73,768
Rio Janeiro 1st mtg.	6	2	1948	56,178
Royal Ex. Bldg.	5	1	1935	625,000
Do.	6	2	1948	13,509
Ruddy, E. L.	7	2	1938	3,500
Saguenay Elec.	6½	1	1948	22,831
Shaw. Falls Term.	5½	1	1953	36,465
Sher. Rly. 1st mtg.	5	1	1957	2,740
Simpsons Ltd. 'A'	5	1	1940	15,362
Do., "B"		2	1949	280,971
Simpson, Robt.	5½	2	1949	32,941
Steel of Canada	5	1	1952	35,950
Sterling Coal	6	1	1940	112,958
St. Jas. Ct. Apts.	6	1	1940	21,285
St. Law. Flour	6½	30	Serial	6,077
200 St. Clair	6	1	1941	2,235
Un. Gas & Fuel	7	1	1945	5,383
Un. Grain "A"	5½	1	1948	49,155
Vancouver Pr. deb.	5	2	1948	82,725
Viau Biscuit	4½	2	Perp.	154,593
Vict. Manor Apts.	6½	1	1946	10,962
West. Can. Hyd. El.	7	21	Serial	4,725
Do., conv. debs.	6	1	1950	30,000
Western Grain	6½	1	1945	7,588
Western Power	6	2	1949	85,785
Windsor Hotel	5	1	1949	101,235
Winnipeg Elec.	6½	1	1943	68,074
1st ref.	5	1	1935	125,000

Corporation bonds	11,164,194
Municipal bonds	6,359,312
Provincial bonds	6,979,263
Dominion	11,800,820
Total	36,303,589

PAYABLE IN JUNE ‡

Company	Rate	Date	Amount
Canada Bread 1st pfd.	75cq	30	$ 9,375
Can. Fire Ins.	2s	30	20,000
Can. Celanese pref.	$1.75q	30	157,500
Do., arrears	$1	30	90,000
Can. Wineries	10cs	19	10,000
Dom. Rubber, pref.	$1.75q	30	52,500
Grey & Bruce Trust	2%s	30	10,894
Niagara Wire Weav. pf.	75c	30	15,543
Petrol Oil & Gas	1c	20	11,000
Siscoe Gold	3cq	30	137,401
			514,213

‡ Additional payments not included in June totals.

Sun Life Assurance Writing Million a Day

From Our Own Correspondent

MONTREAL.—Reports received by the Sun Life Assurance Co. from its world-wide organization since February indicate a gradual increase in business until at present the company is writing about a million dollars of new insurance for every working day of the year, according to Arthur B. Wood, vice-president of the company.

Montreal Power Extends Date on Customer Stock

From Our Own Correspondent

MONTREAL.—Arrangements have been made by Montreal Light, Heat and Power Consold. for a further extension of time to those customers who subscribed for the company's stock in the 1930 customer-ownership campaign. This campaign officially ended the middle of last year, but owing to the changed business conditions the company extended the time for meeting installments paying to the end of the year and then to the middle of this year.

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
June 27, 1933

	Bid	Asked
Industrial Bonds:		
Abitibi P. & P. 5% 1953	25.00	27.00
Acadia Sugar 6% 1946	89.00	93.00
Alta. Pac. Grain 6% 1946	84.00	87.00
American Sales Book 6% 1939	103.00	....
Arnold Bros. 6% 1947	50.00	....
B. A. Oil 5% 1945	96.00	99.00
Can. Biscuit 6½% 1946	27.00	30.00
Can. Bread 6% 1941	92.00	95.00
Can. Cement 5½% 1947	75.00	77.50
Can. Steamship 6% 1941	22.00	24.00
Can. Bakeries 6½% 1945	60.00	....
Can. Canners 6% 1950	90.00	93.00
Can. Copper Refin. 6% 1945	106.00	....
Can. Cottons 5% 1940	84.00	....
Can. Vickers 6% 1947	64.00	67.00
Cons. Invest. 4½% 1959	48.00	....
Cosmos Imp. Mills 6½% 1944	85.00	....
Davies, Wm. 6% 1942	94.00	....
Debenture & Sec. 4% 1936	59.00	....
Dom. Manufacturers 6% 1933	96.00	....
Dom. Tar & Chemical 6% 1949	71.00	74.00
Dom. Telegraph 5½% 1978 "A"	85.00	89.00
Dom. Textile 6% 19449	99.00	101.00
Dom. Woollens 6% 1948	23.00	....
Donnacona Paper 5½% 1948	20.00	....
Eaton Realty 5% 1949	85.00	....
Famous Players 6% 1948	74.00	....
Federal Grain 6% 1949	84.50	86.00
Firestone Tire 7% 1937	110.00	....
Fraser Cos. 6% 1932	10 00	....
Fraser Cos. 6% 1950	11.00	....
Galt Brass 7½% 1941	....	25.00
Goodyear Cotton 6% 1949	101.00	104.00
Great Lakes Paper 6. 1950	32.00	34.00
Gypsum, Lime & Alab. 5½% 1948	39.00	41.00
Harris Abattoir 6% 1947	97.00	....
Howard Smith 5½% 1953	75.00	77.00
Loew's Toronto 6% Serial	100.00	....
London Realty 6½% 1950	42.00	....
Maple Leaf Milling 5½% 1949	50 00	53.00
Massey-Harris 5% 1947	64.00	66.00
McColl-Frontenac 6% 1949	93.50	96.00
McKinnon Industries 6½% 1945	94.00	....
Mercury Mills 5½% 1953	40.00	....
Metropolitan Bldg. 7% 1944	83.00	86.00
Northern Ontario Bldg. 6½% 1939	64.00	....
Price Bros. 6% 1943	50.00	54.00
Richmond-Bay 6½% 1947	57.00	....
Simpsons Ltd. 5½% 1949	72.00	75.00
Simpsons Ltd. 6% 1949	79.00	82.00
Steel of Canada 6% 1940	104.00	107.00
Toronto Carpet 6% 1944	78.00	82.00
United Gas & Fuel 5½% 1948	61.00	....
United Grain Growers 5% 1948	81.50	....
United Grain Growers 5½% 1949	85.00	88.00
Wabasso Cotton 7% 1942	63.50	....
Western Grain 6% 1949	75.00	78.00
Public Utility Bonds:		
Bell Telephone 5% 1955	106.00	....
Bell Telephone 5% 1957	105.50	....
B. C. Power 5½% 1960	88.00	90.00
B. C. Telephone 5% 1960	91.00	93.00
Calgary Power 5% 1960	85.00	88.00
Can. Northern Pwr. 5% 1953	82.00	84.00
Duke-Price Pwr. 6% 1966	78.00	....
French Nat'l. Mail S.S. 6% 1952	123.00	....
Gatineau Pwr 6% 1941 "A"	69.00	72.00
Gatineau Pwr. 5% 1956	81.00	83.00
Maclaren Quebec 5½% 1961	81.00	83.00
Manitoba Power 5½% 1951	44.00	48.00
Montreal Isl. Pwr. 5½% 1957	95.00	98.00
Montreal LH&P 5% 1951	103.00	....
Montreal LH&P 5% 1970	101.50	....
Montreal Tram 5% 1941 July	96.00	98.00
Montreal Tram 5% 1955	78.00	80.00
Northwest. Utilities 7% 1938	98.00	100.00
Ottawa Valley Pwr. 5½% 1970	96.00	98.00
Quebec Power 5% 1968	90.00	93.00
Rio Tramways 5% 1935	97.50	....
Shawinigan W & P 4½% 1970	75.00	....
Shawinigan W & P 5% 1970	83.00	....
Shawinigan W & P 6% 1937	92.00	94.00
Southern Can. Pwr. 5% 1955	96.00	99.00
West Kootenay Pwr. 5% 1956	94.00	96.00
Government, Provincial & Railway:		
C. N. R. 4½% 1951 Dom. Gtd.	100.50	101.50
C. N. R. 4½% 1957 Dom. Gtd.	100.00	101.00
C. N. R. 5% 1969 Dom. Gtd.	105.50	106.50
C. P. R. 4½% 1944	83.50	85.00
C. P. R. 6% 1942	104.00	106.00
Dom. of Can. 5% 1936	102.50	103.50
Dom. of Can. 5% 1941	103.50	104.50
G. T. P. 3% 1962 Dom. Gtd.	80.50	81.50
G. T. P. 4% 1962 Dom. Gtd.	94.00	96.00
Ont. Hydro 3½%, 4%, 5%, 1952 Ont. Gtd.	91.50	92.50
Ont. Hydro 4¾% 1970 Ont. Gtd.	100.00	101.50
Ont. Hydro 4% 1957 Ont. Gtd.	92.00	93.50
Prov. of N. B. 5% 1957	99.00	100.50
Prov. of Ont. 5½% 1947	107.25	108.00
Prov. of Ont. 5% 1948	103.00	104.50
Prov. of Ont. 5½% 1946	107.00	108.00

Listed Bond Quotations

Week Ending June 26, 1933

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1933 High	Range, 1933 Low
Abitibi, 1st mtge.§	5	1953	...	25	...	...	18	13
Asbestos	5	1942	...	21½	...	...	*65½	49
Asbestos, 1st mtge.	6	1941	...	5½	...	...	*20	14
Do., gen. mtge.	6	1956	...	...	...	...	*9	...
Can. Cons. Rub.	6	1946	...	...	...	...	62	...
Can Cottons	5	1940	8.11	...	...	...	84⅞	...
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. Locomotive	6	1951	...	...	...	...	19½	19½
Can. Pr. (Laur.)	5½	1958	...	5	...	...	3	3
Do. (Way. Ser.)	5½	1958	...	4	...	...	*28½	5½
Can. S.S. Debs.	5	1943	...	68	...	...	*83½	...
Cedars Rapids	5	1953	...	...	...	...	108	108
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dominion Coal	5	1940	...	...	...	...	37	...
McNish	6	1948	...	†4.00	2.25	...	2.50	1.00
Mex. L. & Pr.	5	1940	...	55	...	...	*73½	70½
Mtl. L.H.&.Pr. debs.	3	1939	...	44½	44½	...	44½	39½
Mont. Tr. 1st mtg.§	5	1941	5.70	...	...	...	98½	95½
Mont. Trams. A§	5	1955	6.78	...	...	...	79½	58
Do., G. & Ref. B	5	1955	7.47	...	...	...	73½	...
Do., C	4½	1955	9.03	...	...	...	57	57
Do., D	5	1955	7.14	...	...	...	77½	76½
N. S. Steel	5	1959	...	†78	...	...	*62⅞	59
Ontario Steel	6	1943	...	...	...	...	80	...
Porto R. Pr.	5	1936	...	...	...	...	*93	88
Steel of Canada§	6	1940	...	103	...	...	*102½	100
Wayagamack	6	1951	...	...	...	...	*75	45
Winnipeg Elec.§	5	1935	...	70	...	...	*86	...
Toronto								
Canada Bread	6	1941	...	...	...	...	*101½	100
Steel of Canada	6	1940	...	...	...	...	*102½	...

Dominion Govt. Bonds (Montreal)

	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1933 High	Range, 1933 Low
War Loan§	5	1937	...	110.50				
Victory Loan	5½	1933	4.50	100.00	....	....	116.25	114.25
Do.	5½	1934	4.38	101.25	....	....	100.75	100.00
Do.	5½	1937	3.10	109.25	....	....	102.60	101.35
Do., refund	4½	1940	4.28	101.00	....	....	110.25	109.25
Do., refund	5	1943	4.46	104.00	....	....	101.25	99.70
Do., refund	4½	1944	4.41	100.50	....	....	103.37	101.85
Do., refund	4½	1946	4.37	100.50	....	....	99.75	98.75
Do., renewal	4	1952	4.37	94.50	....	....	*92.25	91.50
Conversion Loan	4½	1956	4.11	....	....	....	95.25	91.63
Do.	4½	1957	4.56	99.60	....	....	98.50	97.00
Do.	4½	1958	4.53	99.25	....	....	99.00	96.00
Do.	4½	1959	4.46	100.25	....	....	99.58	97.75
Nat. Service Loan	5	1936	3.98	102.75	....	....	100.87	97.50
Do.	5	1941	4.38	103.75	....	....	103.25	101.50
Dom. Loan	4	1935	3.32	100.00	....	....	103.75	100.75
					....	....	99.75	99.75

†Latest ask. ‡Quotations for 1930. *For 1931. *For 1932. None recorded in 1933 to date. §Payable in Canada and New York.

Winnipeg Stock Exchange

(Transactions for week to June 24)

Div. Rate in $	Yield in %		Sales	High for week	Low for week	Close June 24
..	..	Abitibi, pref.	20	5	5	5
80c	4	Bobjo	3,500	.18	.17¾	.17¾
..	..	Can. Nor. Power	4	20	20	20
..	..	Beaver Lumber, pfd.	5	65	65	65
..	..	Central Manitoba	500	.14	.14	.14
..	..	Eldorado	100	2.80	2.80	2.80
..	..	God's Lake	1,000	.34½	.34½	.34½
..	..	Great West Saddlery	10	7	7	7
..	..	Macassa	200	.71	.71	.71
..	..	Manitoba Basin	1,200	.05½	.05½	.05½
1	6.8	Massey-Harris	50	5⅝	5⅝	5⅝
..	..	Monarch Life	75	14¾	14¾	14¾
..	..	San Antonio	300	1.18	1.05	1.05
..	..	Sylvanite	100	1.35	1.35	1.35
..	..	Stadacona	5,500	.04⅜	.04¼	.04⅜
1.25	8.3	Trader's Building	33	65	65	65
..	..	United Grain Grow.	60	15	15	15
7	9.4	West. Breweries	75	1	1	1
		West. Grocers, pfd.	5	74	74	74

Stocks Not Traded in During Week*

	Bid	Ask		Bid	Ask
Beaver Lumber c.	..	4	Northern Trust	..	19
Beaver Fire	..	100	Reliance Grain pfd.	50	..
City Dairy 7% pf.	..	35	Can. Amer. Tr. shs.	..	3½
City Dairy 8% pf	..	40	Fundamental Ser. A	..	4½
Cres. Creamery pf.	..	40	Fundamental Ser. B	..	4½
Great West Life	260	..	Group. Income Shs.	..	5.00
Nor. Mtg. part pd.	..	5			
Pelissiers, com.	¼	1			

*Stocks more active on other exchanges not included.

Note re Unlisted Securities

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotaiton giving an idea of approximate price is better than none at all.

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited) Investment Bankers, Toronto
June 27 1933

	Bid	Asked
Industrial Stocks:		
Acadia Sugar com.	.90	....
Acadia Sugar 6% pfd.	3.50	4.25
Acme Farmers Dairy 7% pfd.	58.00	....
Acme Glove pfd. bonus c.	6.50	8.00
Agnew Surpass 7% pfd.	61.50	68.00
Allens London 7% pfd. bonus c.	33.00	....
Allens St. Cath. 7% pfd. bonus c.	33.00	....
Allens Toronto 7% pfd. bonus c.	20.50	....
Andian Nat. Corp. U. S. funds	20.50	22.50
Atlantic Sugar "A" pfd.	81.00	....
B.C. Pulp & Paper pfd.	6.00	10.00
Burns pfd. bonus com.	7.00	....
Canada & Dom. Sugar	31.00	33.00
Canada Mach. c.	4.50	6.25
Canada Mach. pf.	21.25	....
Canada Pack. c.	32.00	34.00
Canada Packers pfd. ex div.	99.00	101.00
Canada Starch 7% pfd.	61.50	68.00
Canada Tea 7% pfd	45.50	60.00
Canada Wire & Cable 6½% pfd. WW	59.00	64.00
Can. Industries com. "A"	100.00	....
Can. Industries com "B"	97.00	100.00
Can. Industries 7% pfd.	122.00	125.00
Can. Westing.	46.00	50.00
A. W. Chase pfd. bonus c.	10.00	12.00
Claude Neon Gen. Adv. Units	7.25	10.00
Dodge Mfg. "A" pfd.	....	8.00
Dom. Foundries & Steel 8% pfd.	....	64.50
Dom. Foundries & Steel com.	5.50	....
Dom. Manufacturers 7% pfd.	66.50	....
Dunlop Tire 7% pfd.	41.00	47.00
Eastern Dairies Ltd. 7% pfd.	29.00	....
Edmonton Stock-yards Units	38.00	52.00
Federal Grain c.	3.00	....
Federal Grain 6½% pfd.	33.00	....
A. J. Freiman pf.	50.50	....
Gen. Steel Wares pfd.	16.50	18.25
Goderich Elevator & Transit	6.25	8.00
Greening Wire 7% pfd.	50.00	....
Guelph Carpet 6½% pfd. bonus	63.00	70.00
Guelph Carpet c.	5.25	....
Inter City Baking com.	14.00	....
Inter. Proprietaries "A"	25.50	....
Langley's Ltd. 7% pfd.	28.00	32.00
Loew's London c.	.30	1.00
Loew's London 7% pfd.	3.40	4.25
Loew's Toronto 7% pfd.	42.50	....
Massey-Harris 5% pfd.	24.00	26.00
Medical Arts pfd. bonus c.	97.50	....
Melchers Distilleries "A"	2.00	3.25
Mount Royal Hotel c.	.25	.70
Mount Royal Hotel 6% pfd.	3.00	4.50
Nat'l. Grocers c.	1.65	2.00
Nat'l. Grocers 7% 2nd pfd.	73.00	....
Ont. Silknit pfd.	30.00	36.00
Paramount Kitchener pfd.	29.50	....
Paramount Oshawa com.	2.25	....
Paramount Oshawa pfd.	29.00	....
Provincial Paper 7% pfd.	54.00	59.00
Reliance Grain 6½% pfd.	50.50	....
Rolland Paper 6% pfd. WW	28.50	....
Standard Clay Products c.	....	15.25
Standard Fuel 6½% pfd. bonus	62.00	....
Ind. Stock cont'd.		
Supersilk pfd. bonus	30.00	....
Supertest Petroleum "B"	20.00	....
Toronto Elevators 7% pfd.	87.25	90.00
Un. Grain Grow.	13.50	16.00
Western Grain 6½% pfd. bonus	18.00	22.00
Western Grocers pfd.	65.00	75.00
Insurance Stocks:		
Br. Amer. Assce.	23.25	....
Canada Life Ass.	375.00	425.00
Can. Fire Ins.	51.00	56.00
Confederation Life 20% pd.	120.00	125.00
Continental Life 20% pd.	39.00	44.00
Crown Life Ins.	96.00	110.00
Dom Fire Ins.	84.00	....
Dom. Life 50% pd.	139.00	....
Dom. of Can. Gen. Ins.	91.00	100.00
Empire Life 25% pd.	8.50	11.50
Excelsior Life 30% pd.	68.50	....
Fidelity Ins. Co.	48.50	....
Great West Life Assce.	261.00	....
Guarantee Co. of N. A.	246.00	....
Imperial Life	270.00	....
Mfrs. Life Ins.	240.00	260.00
Monarch Life 10% pd.	16.25	....
National Life 25% pd.	55.00	65.00
Saskatchewan Life 10% pd.	....	11.00
Sovereign Life 25% pd.	17.50	22.00
Sun Life Assce.	485.00	515.00
Western Assur. c.	17.25	....
Western Life 20% pd.	8.00	12.00
Trust & Loan Stocks:		
Br. Mtg. & Trust	151.50	160.00
Brockville Trust	45.50	50.00
Can. Gen. Invest. Ltd.	5.20	5.60
Chartered Trust	55.00	....
Debenture & Sec. 5% pfd.	15.00	....
Eastern Can. Sav. & Loan	110.00	115.00
Eastern Trust	135.00	145.00
Guelph & Ont. Inv. par $50	48.50	50.50
Investment Foundation Units	33.00	....
Lambton Loan & Savings	50.50	58.00
London & Western Trust	52.00	....
Mortgage Discount pfd.	1.60	2.25
Premier Trust	79.00	85.00
Provincial Bank	87.50	92.00
Security Loan & Savings	100.00	....
Sherbrooke Trust	100.00	111.00
Sterling Trust	....	45.00
Traders Fin. com.	.60	....
Traders Fin. 7% "A" pfd.	23.50	....
Trusts & Guar.	30.25	34.00
Victoria Trust & Savings	131.50	140.00
Waterloo Trust & Savings	90.00	100.00
Power Issues:		
B.C. Elect. Pwr. & Gas pfd.	94.50	96.50
Calgary Power 6% pfd.	79.00	81.50
Can. Light & Pwr. com.	20.00	25.00
Can. West. Nat. Gas LH&P pfd.	78.00	81.00
Maritime Tel. & Tel. com.	7.15	8.00
Maritime Tel. & Tel. 7% pfd.	10.15	11.50
N. B. Telephone c.	7.00	8.00
Nor. Ont. Pwr. c.	10.00	....
Nova Scotia L&P com.	24.50	....
Nova Scotia L&P 6% pfd.	73.00	....
Recent London Quotations:		
Brewers & Distillers	7s. 6d.	
Can. & For. Secs.	3s. 6d.	
Can. West. Lumber	1s. 3d.	
Hudson's Bay	26s. 3d.	
Do., 5% pref.	82s. 6d.	
Internat. Holdings	$2⅞	
Nfld. Pr. & Pap. deb. stock "B"	90½	
Trust & Loan of Can.	1s. 3d.	

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.
June 27, 1933

	Rate	Actual Maturity	Next Int. Date	Price	Yield
*Alberta	4½	1 Oct., 1958	1 Oct.	88.50	5.33
Alberta	5	1 July, 1943	1 July	96.00	5.53
Alberta	6	1 Mar., 1947	1 Sept.	102.00	5.79
*British Columbia	4½	1 Oct., 1953	1 Oct.	89.00	5.40
*British Columbia	5	15 Jan., 1948	15 July	95.00	5.49
British Columbia	6	15 Feb., 1947	15 Aug.	102.00	5.79
Manitoba	4	1 July, 1947	1 July	83.00	5.79
*Manitoba	5	2 Dec., 1959	2 Dec.	94.00	5.43
Manitoba	6	1 Apr., 1947	1 Oct.	100.00	6.00
*New Brunswick	4	1 June, 1948	1 Dec.	92.00	4.75
*New Brunswick	4½	15 June, 1936	15 Dec.	100.00	4.75
New Brunswick	5½	1 May, 1950	1 Nov.	105.50	5.01
*Nova Scotia	4½	15 Nov., 1948	15 Nov.	100.00	4.50
Nova Scotia	5	1 May, 1943	1 Nov.	102.00	4.75
*Ontario	4½	1 Sept., 1944	1 Sept.	102.00	4.25
Ontario	5	15 Oct., 1948	15 Oct.	104.50	4.59
Ontario	5½	1 Feb., 1947	1 Aug.	108.25	4.69
P. E. I.	4	1 Apr., 1939	1 Oct.	95.60	4.85
P. E. I.	6	1 May, 1947	1 Nov.	111.05	4.90
*Quebec	4½	1 May, 1961	1 Nov.	101.00	4.19
*Saskatchewan	4½	1 Sept., 1955	1 Sept.	87.00	5.51
*Saskatchewan	5	1 Nov., 1959	1 Nov.	92.50	5.54
Saskatchewan	6	15 Mar., 1952	15 Sept.	99.00	6.09
*Newfoundland	5	31 Dec., 1952	30 June	76.00	7.33
*Newfoundland	5½	1 July, 1939	1 July	78.00	10.53
*Newfoundland	6½	30 June, 1936	30 June	87.00	11.76
Cities					
*Montreal	5	1 Sept., 1963	1 Sept.	103.19	4.80
*Toronto	4½	1 Jan., 1955	1 July	99.50	4.54
*Vancouver	5	15 Jan., 1970	15 July	88.56	5.75
Winnipeg	5	1 Mar., 1944	1 Sept.	92.00	6.00
*Edmonton	5½	1 Apr., 1947	1 Oct.	90.00	6.60
Calgary	5	1 Jan., 1943	1 July	84.75	7.25
Halifax	6	1 July, 1951	1 July	113.05	4.90
Saint John	5	15 Dec., 1950	15 Dec.	101.17	4.90
Regina	4½	1 July, 1950	1 July	75.00	7.00
Victoria	5	21 July, 1945	21 July	91.30	6.00
Quebec	5	1 June, 1948	1 Dec.	101.50	4.86

*Payable in New York.

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Ajax Oil	8c	2c	July 15	June 30
Belding Corticelli c.	$4	$1	Aug. 1	July 15
B. C. Power "A"	$2	50c	July 15	June 30
Bell Telephone	$6	$1.50	July 15	June 23
Brantford Cordage, pfd.	8%	2%	July 15	June 20
Canada Dry	$1	25c	July 15	July 1
Can. Int. Trust Shs. c.	...	0.100719	July 3	....
Can. Northern Pr.	80c	20c	July 25	June 30
Do., pref.	$7	$1.75	July 15	June 30
Canadian Car. pref.	$1.75	44c	July 10	June 26
Canada Bud	60c	15c	July 15	June 30
Can. Gen. Investments (No. 20)	30c	7½c	July 15	June 20
Can. Converters	$2	50c	Aug. 15	July 31
Can. Fairbanks, pfd.	$6	$1.50	July 15	June 30
Can. Industries "A" & "B"	$3.50	87½c	July 31	June 30
Do., pref.	$7	$1.75	July 15	June 30
Can. Light & Power	$1	50c	July 15	June 30
Dome Mines	$1	25c	July 20	June 30
Do., extra	...	25c	July 20	June 30
Dominion Textile pref.	7%	1¾%	July 15	June 30
East. Theatres, pref.	$7	$3.50	July 31	June 30
Hollinger Gold	65c	5c	July 15	June 30
Highland Dairy pfd.	$7	$1.75	July 3	June 24
Howe Sound c.	40c	10c	July 15	June 30
Inter.-Hydro Elec. pfd.	$3.50	87½c	July 15	June 27
Inter. Nickel, pref.	7%	1¾%	Aug. 1	July 3
Imperial Bank	$10	$2.50	Aug. 1	June 30
Invest. Foundation, pfd.	$1.50	38c	July 15	June 30
Do., on arrears	...	12c	July 15	June 30
McColl-Frontenac, pfd	6%	1½%	July 15	June 30
Montreal L. H. & P.	$1.50	38c	July 31	June 30
Montreal Telegraph	$3.20	80c	July 15	June 30
Moore Corp. pref. "A"	$7	$1.75	July 3	June 22
Do., pref. "B"	$7	$1.75	July 3	June 22
National Biscuit. c.	$2.80	70c	July 15	June 16
Noranda Mines (interim)	...	50c	July 10	June 13
Northern Ont. Power	$2	50c	July 25	June 30
Do., pref.	$6	$1.50	July 25	June 30
Penmans	$3	75c	Aug. 15	Aug. 5
Do., pref.	$6	$1.50	Aug. 1	July 21
Power Corp. pref.	$6	$1.50	July 15	June 30
Do., 2nd pref.	$3	75c	July 15	June 30
Southern Can. Power c.	$1	25c	Aug. 15	July 31
Southern Can. Power pfd	6%	1½%	July 15	June 20
Tuckett Tobacco, pref.	7%	1¾%	July 15	June 30
United Securities	$2	50c	July 15	June 30
Western Grocers, pref.	$7	$1.75	July 15	June 20

Dividend Rate Reduced:
Can. Gen Investments, July 15, 40c to 30c per annum.

Mining Stock Index Was at 101.2 Level

The weighted index number of 20 mining stocks computed by Dominion Bureau of Statistics on the base 1926=100, was 101.2 for the week ending June 22, as compared with 108.1 for the previous week.

Eleven gold stocks fell from 101.6 to 95.1, four gold-copper stocks from 140.2 to 130.9, and five silver and miscellaneous stocks from 46.8 to 45.6.

Among the gold stocks weekly average prices behaved as follows: Dome declined from $35.48 to $32.83, Hollinger from $10.32 to $9.79, Kirkland Lake from 45c to 41c, Lake Shore from $43.52 to $41.50, McIntyre from $34.54 to $31.65, Premier from $1.37 to $1.28, Sylvanite from $1.17 to $1.15, Teck-Hughes from $6.75 to $6.28, Vipond Consolidated from 57c to 55c and Wright-Hargreaves from $6.61 to $5.98.

Average weekly prices were lower for all of the gold-copper stocks. Amulet dropped from 37c to 35c, Hudson Bay from $9.96 to $9.08, Noranda from $33.64 to $31.70 and Sherritt-Gordon from $1.25 to $1.18.

In the silver and miscellaneous group, Mining Corporation fell from $2.20 to $2.13 and Nipissing from $3.13 to $2.89 while Coniagas mounted from $1.20 to $1.43.

MANY FACTORS AID OIL STOCKS CAUSING RISE

United States Cleaning House Has Indirect Effect in Canada

Improved position of stocks of oil companies in Canada has back of it growing optimism as to business advance and hope for greater sales when purchasing power increases. It represents more particularly a release of optimism because the terrific demoralization of the industry in the United States because of over-production of crude, bootlegging of gasoline, too great refining capacity and price-slaughtering is apparently passing. The news that pressure is lessening in East Texas and Oklahoma fields has been a startling awakener to those who were unwilling to cooperate in conservation measures and the attitude of the Federal Government toward control of production is still more effective. The new production code has been called the Magna Charta of the oil industry.

Advices from south of the line speak of many increases both in crude and gasoline prices. This has not affected the Canadian situation as yet. It makes the position of Imperial Oil sounder because it draws for its dividend payments heavily on earnings of International Petroleum in Peru and Colombia. International Petroleum's crude oil prices are based on mid-Continent prices and a strengthening there will help it. Under Peruvian and Colombian laws development has gone on with full attention to the need of conservation and prospects have improved directly as the United States shows a real determination to clean up the local situation.

Wheat Rise Aids Imperial

Then again Imperial Oil has been helped by the rise in price of wheat if it proves permanent. It has to be permanent to help because first payments occur next October on the five or six million dollars of loans to farmers, which were placed on a long-term basis with five annual payments. Payment is to be made on the basis of 70 cent wheat whether wheat is lower or higher than 70. At 70 the company will get full principal payments. It made the offer foreseeing considerable losses but a revival of Western agriculture will help it greatly.

Peru-Colombia War Ends

End of the war between Peru and Colombia places International Petroleum in a distinctly favorable position as compared with the anxious time which obtained during the progress of hostilities. International Petroleum has interests in both countries and for that reason was obliged to adopt a distinctly neutral attitude during the recent war. No help was given to either side but International Petroleum in Peru and its subsidiary, Tropical Oil Co., in Colombia kept strictly to their own affairs. This situation was made easier because it has been the policy of the company in each country where it operates to pursue a distinctly national policy.

As the mid-continent prices for oil are used as the basis for selling from Peru and Colombia, International Petroleum also has a great interest in the code of fair competition which was submitted to the American Petroleum Institute at its recent meeting on June 17th by the representative of President Roosevelt. By this the president will have the power to state the maximum and minimum prices, to limit production and imports, to control well-digging operations and to have minimum prices set at a level which would give a profit to stripper wells.

World Wheat Acreage Down 5 Per Cent

Wheat acreage in twenty-five countries, excluding Russia but including both winter wheat for harvest and the intended spring wheat acreage in the United States and Canada, is reported at 184,686,000 acres, or about 5 per cent below the 194,121,000 acres in 1932, according to the Bureau of Agricultural Economics, U. S. Department of Agriculture. The twenty-five countries had about 75 per cent of the estimated world wheat acreage last year outside of Russia.

Winter wheat acreage remaining for harvest in the United States is only 27,096,000 acres out of 39,985,000 acres sown last fall.

A decrease of more than 4,000,000 acres in winter sowings is reported for Russia. No definite figures are as yet available from Australia where a smaller acreage is also in prospect.

DIVIDEND NOTICES

POWER CORPORATION OF CANADA LIMITED

Preferred Dividend No. 32

NOTICE is hereby given that a dividend of 1½% (being at the rate of 6% per annum) has been declared on the 6% Cumulative Preferred Stock of Power Corporation of Canada, Limited, for the quarter ending June 30th, 1933, payable July 15th, 1933, to shareholders of record at the close of business, June 30th, 1933.

By order of the Board,
L. C HASKELL, Secretary.
Montreal, June 23rd, 1933.

POWER CORPORATION OF CANADA LIMITED

Second Preferred Dividend No. 24

NOTICE is hereby given that a dividend of one and one-half per cent (75 cents per share) being at the rate of 6% per annum, has been declared on the 6% Non-Cumulative Participating Preferred Stock of Power Corporation of Canada, Limited, for the quarter ending June 30th, 1933, payable July 15th, 1933, to shareholders of record at the close of business June 30th, 1933.

By order of the Board,
L. C. HASKELL, Secretary.
Montreal, June 23rd, 1933.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given, that a Dividend of Three per cent, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after

1st July, 1933,

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By Order of the Board,
WALTER GILLESPIE,
Manager.

The Whittall Can Company, Limited

Dividend Notice

Notice is hereby given that a Dividend of One and Five-eighths per cent (1⅝%), being at the rate of Six and One-half per cent (6½%) per annum, on the Cumulative Convertible (Redeemable) Preferred Stock of the Company, has been declared, payable July 1st, 1933, to Shareholders of record June 15th, 1933.

By order of the Board.
D. H. MacFARLANE,
Secretary-Treasurer.
Montreal, June 14th, 1933.

THRIFT STORES, LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that the following Dividends have been declared by Thrift Stores Limited:

One and Five-eighths per cent (1⅝%) on the 6½% FIRST CUMULATIVE REDEEMABLE CONVERTIBLE PREFERENCE SHARES, and

One and Three-quarters per cent (1¾%) on the SECOND CUMULATIVE REDEEMABLE CONVERTIBLE PREFERENCE SHARES.

The above Dividends are for the quarter ending June 30th, 1933, payable July 1st, 1933, to Shareholders of record June 21st, 1933.

Ten Cents per share on the COMMON SHARES OF NO PAR VALUE, payable July 1st, 1933, to Shareholders of record June 20th, 1933.

By order of the Board of Directors.
THOS. F. MUNDY, Sec.-Treas.
Montreal, June 21st, 1933.

"CANADA DRY"

Ginger Ale, Incorporated
A Delaware Corporation

Dividend Notice

At the meeting of the Board of Directors of Canada Dry Ginger Ale, Incorporated, held June 20, 1933, a quarterly dividend of twenty-five cents ($.25) per share was declared, payable July 15, 1933, to stockholders of record at the close of business July 1, 1933.

R. W. SNOW, *Secretary*

DIVIDEND NUMBER 242

Hollinger Consolidated Gold Mines, Limited

A regular Dividend of 1% has been declared on the Capital Stock of the Company, payable on the 15th day of July, 1933, on which date cheques will be mailed to Shareholders of record at the close of business on the 30th day of June, 1933.

Dated the 23rd day of June, 1933.
I. McIVOR,
Assistant-Treasurer.

DIVIDEND NOTICES

United Securities Limited

Notice is hereby given that a dividend of Fifty cents (50c) per share has been declared on the outstanding common shares of the Company for the quarter ending June 30th, payable July 15th, to shareholders of record June 30th, 1933.

By Order of the Board,
JAMES WILSON,
Secretary-Treasurer.
Montreal, June 20, 1933.

Belding-Corticelli Limited

DIVIDEND No. 29

Notice is hereby given that on the Common Stock of this Company, the Directors have declared a Quarterly Dividend of 1%, payable on the 1st day of August to Shareholders of record at the close of business the 15th day of July, 1933.

By Order of the Board,
D. F. POLLOCK,
Secretary.

Penmans Limited

Dividend Notice

Notice is hereby given that the following Dividends have been declared for the quarter ending the 31st day of July, 1933.

On the Preferred Stock, one and one-half per cent (1½%), payable on the 1st day of August to Shareholders of record of the 21st day of July, 1933.

On the Common Stock, Seventy-five Cents (75c) per share, payable on the 15th day of August to Shareholders of record of the 5th day of August, 1933.

By Order of the Board.
C. B. ROBINSON,
Secretary-Treasurer.
Montreal, June 22, 1933.

The Canadian Foreign Investment Corporation Limited

PREFERRED DIVIDEND

NOTICE IS HEREBY GIVEN that a Dividend at the rate of 8% per annum has been declared for the Six Months ending June 30th, 1933, on the 8% Cumulative Preferred Stock of the Company, to be payable on July 4th, 1933, to Holders of shares of the said stock of record on June 28th, 1933.

R. J. R. STOKES,
Secretary-Treasurer.
June 23rd, 1933.

The Canadian Foreign Investment Corporation Limited

COMMON STOCK DIVIDEND

NOTICE IS HEREBY GIVEN that a Dividend of Twenty-five Cents per share on the Common No Par Value Stock of the Company has been declared payable on July 4th, 1933, to Holders of shares of said stock of record on June 28th, 1933.

R. J. R. STOKES,
Secretary-Treasurer.
June 23rd, 1933.

LOBLAW EARNS $1.35 A SHARE; CASH IS HIGHER

Received in Addition $270,000 from Loblaw Insurance

Loblaw Groceterias Co. earned $1.35 per share on class A and class B shares outstanding in the year ended May 31, 1933, as compared with $1.23 per share in 1932. While profit, before provision for income tax, was down 4.1 per cent to $1,131,852, the company retired 7,940 shares of class A stock which increased earnings per share. In addition the company received $270,000 as proceeds of life insurance policies on the life of the late T. P. Loblaw, founder of the company, and took into profit $73,948 obtaining by reducing investment reserve to meet present requirements. In 1931-1932, the company established a reserve of $250,000 for losses on investments.

Sales of the company showed a decline of less than six per cent largely accounted for by lower commodity prices. The number of stores was increased by three to a total of 107. The company has been opening markets where, in addition to groceries, meats, fruits and vegetables are sold and five such markets have been opened in Toronto.

Income and Surplus Account, Years Ended May 31

	1933 $	1932 $
Gross sales	14,219,053	15,120,933
Net earnings	1,131,852	1,180,841
Proceeds, life insur. on late T. P. Loblaw	270,000	......
	1,401,852	1,180,841
Reduction of investment res. to present needs	73,948	......
	1,475,800	1,180,841
Less: inc. tax res.	153,579	140,000
Net profit	1,322,221	1,040,841
Less:		
Class "A" divid.	364,132	372,928
Class "B" divid.	306,640	306,640
Class "A" bonus	90,945	......
Class "B" bonus	76,660	......
Surplus for year	483,844	361,273
Add: Prev. surplus	2,292,194	2,225,075
Less: Tax adjust.	......	84
Taxes, prior year	......	19,070
Investment res.	......	275,000
Surplus forward	2,776,038	2,292,194

Working capital position is again improved and as usual a high degree of liquidity is shown. Cash is up to $947,543 from $796,982; high-grade bonds up to $806,383 from $707,350; guaranteed investment certificates up to $550,000 from $400,000. Inventories of merchandise are up to $1,427,277 from $1,359,882. Sundry accounts receivable amount to $77,011. Accounts payable are up to $544,850 from $524,103; provision for Federal income tax is up to $144,000 from $140,000. Bank advance of $76,980 is shown on account of exchange connected with purchases in the United States.

Working Capital, at May 31

	1933 $	1932 $
Current assets	3,840,171	3,376,940
Current liabilities	933,435	883,758
Working capital	2,906,736	2,493,182
Ratio	4.11—1	3.82—1

Investment in Loblaw Groceterias Inc. remains unchanged with 2,841 preferred shares valued at $260,000 and 28,600 common shares carried at $1. Cash surrender value of life insurance is down to $3,199 from $46,051. Deferred charges to operations are down to $73,977 from $80,576. Buildings, store improvements, fixtures, etc. are shown at $3,548,359 from which is deducted depreciation reserve of $1,374,386. Depreciation reserve has been increased by $202,591 as compared with increase of $237,233 in the preceding year. Real estate is carried at $357,485, an increase of $30,000.

Reserve for investments is down to $200,000 from $275,000. There is outstanding 454,726 shares of class A stock, 12,815 shares having been redeemed in the past two years. There is outstanding 383,300 shares of class B stock, the two classes of stock being carried at $2,802,732 with surplus at $2,776,038.

Note:—See page 2 for information as to how a complete analysis of this company can be obtained.

DIVIDEND NOTICES

Highland Dairy, Limited

PREFERENCE DIVIDEND NO. 14

Notice is hereby given that a Dividend of $1.75 per share for the three-months period ending June 30th, 1933, being at the rate of 7% per annum, has been declared on the outstanding Preference Shares of the Company, payable on July 3rd, 1933, to shareholders of record on the register at the close of business on the 24th day of June, 1933.

By order of the Board.
M. MAYNE KENNEDY,
Secretary.
Toronto, Ontario, June 24th, 1933.

The Canadian Light & Power Company

Notice is hereby given that a dividend of one-half of one per cent (½ of 1%) has been declared on the outstanding shares of the Company for the half-year ending June 30th, payable July 15th, to shareholders of record June 30th, 1933.

By Order of the Board,
JAMES WILSON,
Secretary.
Montreal, June 21, 1933.

NOTICES

The Ontario Municipal Board

Notice is hereby given that the Municipality of the Town of Hawkesbury has become subject to the provisions of Part VI of "The Ontario Municipal Board Act, 1932," by an order of "The Ontario Municipal Board" bearing date the 15th day of June, A. D. 1933, and from and after the first publication of this Notice in "The Ontario Gazette" all actions or proceedings against the said Municipality are stayed; and therefore no action or other proceeding against the said Municipality shall be commenced or continued, nor shall a levy be made under a Writ of Execution against it without leave of the Ontario Municipal Board.

Dated this 15th day of June, A. D. 1933.

H. C. SMALL,
Secretary,
The Ontario Municipal Board.
C. R. McKEOWN, Chairman.

Economic Wisdom Down the Ages

And How History Repeats Itself

* * * *

111 YEARS AGO

Ques.—"Supposing the price of wheat to continue at its present depressed state, do you apprehend that the expenses would considerably diminish from what they are now?"

Ans.—"I should say they ought to be reduced, but it is a difficult thing once you have got your laborers to high wages to get them down again, for they will go to the rates for relief and only work on a bargain."

Ques.—"Has any fall in the price of the different articles required in farm houses taken place?"

Ans.—"Very little but there is quite a buzz about it."

Ques.—"Have your retail prices fallen in proportion to the wholesale prices?"

Ans.—"Certainly not."

Ques.—"Do you know many who have been completely ruined?"

Ans.—"Yes, I know many, that purchased estates in the dear times and with agricultural produce at a good price that have been obliged to sink with the times. I was yesterday with a tenant who told me he could not go on and that I must take back the land myself. . . . . The great evil has been that farmers having some capital and looking forward to high prices have purchased estates and borrowing the greater part of the money and now that they have to pay the same rate of interest as when their product was making double what it now makes."

Ques.—"You do not speak of improvident men and men incapable of managing a farm?"

Ans.—"No, I speak of only hard-working, industrious men and deserving of every encouragement and though they are sinking it has been from no want of prudence and industry on their part."

After numerous sittings and the taking of voluminous evidence the Select Committee appointed by the House of Lords decided that nothing could be done.

Nothing was done by the Government and in the course of time conditions corrected themselves naturally and another period of prosperity ensued.

—Extract from evidence before a British parliamentary committee inquiring into agricultural conditions in England after the Napoleonic wars.

* * * *

BE A GOOD LOSER

"If there comes a force upon you and stops your progress, abandon it and be easy, and make a virtue of necessity. Remember that you undertook the business upon the condition of its being feasible, and never pretended to grasp at impossibilities. What was it, then, you aimed at? Why, to do your best in your effort. Right! And this may be effectually done, though the enterprise should happen to miscarry."

—Book VI meditations of Marcus Aurelius (121-180 A.D.)

* * * *

The extract from British parliamentary papers is supplied by Maj. H. G. L. Strange, Winnipeg.

N. B. POWER CO. PROFITS IN 1932 ARE RESTRICTED

Net Revenues Did Not Cover Interest on Bonded Debt

MONTREAL—Net operating income of New Brunswick Power Co., operating the utility services in Saint John, fell short of meeting bond interest payments in the year ended December 31, 1932. Conditions in the territory served by the company were not altogether satisfactory.

Gross revenues during the year amounted to $763,454 compared with $902,940 in 1931. No details as to the source of income are published by the company, but the extent of the depreciation would indicate that all departments suffered a decline in earnings.

Drop in Surplus

Details of the income account for the past two years follow:

	1932 $	1931 $
Gross income	763,454	902,940
Oper. expenses	581,051	650,531
Fed. tax	961	1,178
Net earnings	181,442	251,231
Less: Interest	207,286	174,596
Balance	*25,843	76,635
Less: Retire. res.	15,494	70,012
	*41,337	6,623
Less: Pfd. div.	......	40,000
Surplus	*41,337	*33,377
Br't. forward	†243,911	274,497
Carried forward	202,574	241,120

*Deficit. †Adjusted.

Floating Debt Higher

The principal changes in the balance sheet took place in respect to liabilities, the total assets remaining much the same as at the end of 1931. The funded debt has been reduced from $1,762,000 to $1,740,000. Notes payable to the Federal Light and Traction Co. remain the same at $1,761,749. A new item in 1932, however, was an open account of $90,709 with the Federal Light.

Capital stock outstanding is the same. No important additions were made to the plant account.

Alberta Oil Output

Alberta's oil production in April amounted to 74,645 barrels, of which 69,447 barrels was naphtha from the Turner Valley, according to a report of the petroleum division of the Lands and Mines Department.

Mining Stock Quotations

Week Ending June 19

Par Val.	Range 1933 High	Low	Company	Sales	Close June 19 (or last)	High for week	Low for week	Close June26
1	.05	.03	Abana	......	.03	......	......	......
1	.02	.00½	Aconda	7,000	.01½	.01½	.01½	.01½
No	.20	.03	Aldermac	1,840	.10	.18	.10	.13
1	.03½	.01	Alexandria	40,500	.02½	.02½	.02½	.02½
No	.05½	.02	Algoma	152,000	.02½	.03½	.02½	.03
1	.01½	.00½	Algonquin	7,000	.01	.01	.00½	.01
1	.06	.00½	Amity C.	14,000	.02½	.03	.02½	.02½
No	.48	.10	Amulet	46,808	.38	.40	.34	.35
1	.01	.00½	Apex	......	.00½	......	......	......
1	.05	.02	Area	20,500	.04½	.04½	.04	.04½
No	.04½	.01½	Arno	160,700	.03½	.03½	.03½	.03½
1	1.36	.74	Ashley	375	1.15	1.00	1.00	1.00
1	.14	.02½	Bagamac	9,900	.07	.07	.05	.05
1	.03	.00½	Baldwin	2,500	.01	.01	.01	.01
1	.20	.08	Barry Hollinger	27,050	.13	.13	.10½	.12
No	2.45	.75	Base Metals	61,125	2.23	2.45	2.15	2.22
No	1.00	.98	Beattie	......	.98	......	......	......
1	.40½	.08	Big Missouri	35,600	.26	.28	.21	.23
1	.25	.08½	Bobjo	323,835	.18½	.25	.16	.24
No	9.00	2.28	Bralorne	8,400	7.75	7.75	6.80	6.90
1	.25	.15	Brett Tretheway	18,700	.22	.22½	.21	.22½
1	.07½	.01½	Brownlee	190,900	.05	.05	.04½	.04½
1	.02½	.00½	Buckingham	28,500	.01½	.01½	.01½	.01½
No	.04½	.01½	Buffalo Can.	500	.03	.03½	.03½	.03½
5	16.50	15.60	Bulolo	2,670	15.60	16.00	15.75	15.75
No	.09½	.01½	Bunker Hill	286,474	.06½	.09½	.05½	.07½
5s	1.25	.60	B'Wana McKubwa	......	1.23	......	......	......
No	.04	.02½	Canam Metals	......	.03	......	......	......
1	.12½	.03	Can. Kirkland	89,771	.09½	.10	.08	.09
1	.01	.00½	Capital Rouyn	......	.00½	......	......	......
1	.03½	.01	Cartier Malartic	8,000	.01½	.01½	.01½	.01½
1	.64	.15	Castle Tretheway	18,632	.55	.59	.49	.51
1	.18	.05	Cen. Manitoba	40,600	.14	.14½	.11	.12
1	.32	.17	Cen. Patricia	20,925	.30	.30	.27	.28
No	.20	.03	Chibougamau Pros.	87,900	.14½	.17	.14½	.15
No	.10½	.03	Church. M. & Mill.	......	.05	......	......	......
No	.02½	.00½	Clericy	58,400	.02½	.03½	.02	.02½
1	.02½	.01	Clifton Cons.	45,000	.01½	.01½	.01½	.01½
5	9.00	1.65	Coast Copper	1,535	6.50	6.90	5.75	5.75
1	.05½	.00½	Cobalt Contact	134,000	.04½	.05½	.04	.05½
1	.15½	.05	Columario	67,000	.11½	.15½	.11	.15
5	1.90	.75	Coniagas	3,050	1.15	1.90	1.30	1.60
No	.60	.20	Coniaurum	20,356	.42	.60	.42	.60
25	135.00	54.00	Cons. Smelters	5,033	130.00	133.00	126.00	131.00
No	37.65	13.60	Dome Mines	37,310	34.50	36.50	33.00	35.75
No	.09½	.03½	Dom. Explorers	158,250	.08	.09½	.07	.07½
1	.01	.00½	Dominion Kirk.	21,500	.01	.01	.00½	.00½
1	.04	.01	Don. Rouyn	13,000	.01	.01½	.01½	.01½
1	.04½	.02	Duparquet	17,500	.02½	.02½	.02	.02½
1	4.11	1.16	Eldorado	281,460	3.47	4.11	3.45	3.60
No	4.55	1.80	Falconbridge	33,747	3.95	4.30	3.75	3.90
1	.05½	.01	Federal	150,500	.02	.05½	.02	.04
No	.06	.01	Gilbec	80,000	.04½	.04½	.03½	.04
1	.15	.04	Goldale	66,850	.14	.15	.13½	.14½
10	.29	.10	Goldfield	2,600	.21	.19	.18	.18
.	.01½	.01	Gold Reef	......	.01	......	......	......
1	.09½	.02	Goodfish	35,300	.09	.09½	.08½	.09
1	.03½	.01	Graham	......	.02½	......	......	......
1	1.95	1.19	Granada	26,100	1.32	1.34	1.24	1.25
1	.18	.06	Grozelle	......	.18	......	......	......
1	.36½	.24	Halcrow Swayze	25,750	.33	.36½	.34	.36
1	.06	.02	Harker	10,600	.05	.04½	.04½	.04½
1	.01½	.00½	Hilltop	10,000	.01½	.01½	.01	.01½
5	10.90	6.00	Hollinger	16,810	9.95	10.20	9.50	9.60
1	1.00	.61	Howey Gold	103,716	.95	.98	.91	.91
No	10.85	3.10	Hudson Bay	3,511	9.75	9.90	8.75	9.00
No	.45	.25	Huronian	400	.43	.43	.43	.43
No	21.00	8.00	Int. Nickel	101,404	20.20	21.00	18.00	19.80
1	.02	.00½	Jackson Manion	5,000	.01½	.02½	.01½	.02
1	.50	.20	Keeley	970	.50	.50	.40	.45
1	.02	.00½	Keora Mines	......	.00½	......	......	......
1	.76	.48	Kirk. Hud. Bay	5,700	.68	.70	.57	.57
1	.02½	.00½	Kirk. Hunton	71,000	.01½	.01½	.01	.01½
1	.52	.30	Kirkland Lake	34,600	.42	.45	.40	.42
1	.04	.01½	Kirkland Premier	23,000	.03½	.03½	.03	.03½
1	.46	.12	Kirk. Townsite	153,850	.43½	.45	.35	.39
20c	.02½	.00½	Koot. Florence	11,500	.02	.02	.01½	.01½
1	.35	.15	Lakeland	2,000	.20	.20	.20	.20
No	.18½	.07	Lake Maron	158,700	.12	.17	.12	.15
1	45.50	30.75	Lake Shore	6,880	43.00	43.25	40.25	41.50
1	.08	.02½	Lebel Oro	5,500	.05	.07	.04	.07
No	.29	.20	Lee Gold	56,200	......	......	......	......
1	.74	.20	Macassa	358,680	.72	.74	.68	.69
1	.23	.05	Malartic	29,700	.19	.19	.16	.17
1	.05½	.01	Malrobic	466,350	.03½	.05½	.03½	.05
No	.17	.02½	Mandy	2,500	.11	.11	.10½	.10½
No	.07	.01	Manitoba Basin	145,650	.05½	.05½	.04½	.05½
5	36.25	21.20	McIntyre	8,485	33.15	33.75	31.25	32.50
1	.50	.30	McKinley	......	.50	......	......	......
No	.68	.02½	McLeod River	48,700	.04	.04	.03½	.03½
1	.35	.08	McMillan	16,800	.30	.31	.26	.28
No	.15	.46	McWatters	27,850	.90	.94	.88	.89
1	.84	.15	McVittie	19,520	.66	.67	.62	.63
5	1.10	.06	Mentor Exp. & Dev.	......	1.10	......	......	......
No	2.40	1.20	Mining Corp.	8,128	2.15	2.30	2.10	2.10
1	.05	.01½	Moffatt Hall	68,500	.03½	.03½	.02½	.02½
1	.08½	.02	Moneta	1,800	.06½	.06	.06	.06
1	.00½	.00½	Montreal Rouyn	13,000	.00½	.00½	.00½	.00½
1	.40	.08	Moss	166,000	.13½	.14½	.08	.08½
1	.02½	.00½	Murphy	36,000	.02½	.02½	.02	.02½
No	.06½	.02½	Newbec	13,760	.04½	.04½	.04½	.04½
1	.06	.01½	Night-Hawk Penn.	20,525	.05	.04½	.04	.04
5	3.40	1.15	Nipissing	7,665	2.95	3.05	2.55	2.60
No	35.15	19.75	Noranda	37,799	33.00	33.75	31.25	32.50
No	.52	.32½	Nor. Canada	20,500	.46	.51	.44	.44
No	.34	.19½	Norment-Gold	8,700	.32½	.34	.30	.34
1	.34	.05	Osisko	2,300	.15	.20	.18	.18
1	.28½	.11	Parkhill	26,650	.20½	.22	.21	.22
1	.03½	.01½	Pawnee Kirk.	2,500	.02½	.02	.01½	.02
1	1.80	.50	Pend Oreille	9,150	1.35	1.50	1.25	1.35
1	.03½	.00½	Peterson Cobalt	2,700	.02½	.02½	.02	.02½
1	16.25	4.30	Pioneer Gold B.C.	15,685	15.90	16.10	12.60	14.00
1	.03	.00½	Porcupine Crown	14,000	.02½	.02½	.01½	.02
1	.01½	.00½	Potter Doal	8,500	.01	.01½	.01	.01½
1	1.60	.55	Premier Gold	28,725	1.32	1.45	1.20	1.22
1	.03½	.00½	Preston E. Dome	4,000	.02	.02	.01½	.02
No	1.60	.68	Prospectors Air's.	5,900	1.50	1.50	1.40	1.41
No	.15	.08	Quemont	......	.13	......	......	......
1	2.75	.60	Reno	136,700	2.51	2.61	2.20	2.43
1	.02½	.00½	Ribago	115,000	.01½	.02	.01½	.01½
1	.03	.01½	Ritchie	2,000	.02½	.02½	.02	.02
1	.04	.01	Robb Montbray	4,000	.02½	.02½	.02½	.02½
1	1.25	.75	San Antonio	21,671	1.10	1.15	1.05	1.06
1	.03	.03	Seven Troughs	100	.03	.03	.03	.03
1	1.61	.33	Sherritt Gordon	53,949	1.23	1.30	1.10	1.23
1	1.77	1.25	Siscoe	93,710	1.57	1.61	1.50	1.52
1	.10½	.02½	South Keora	12,000	.04	.04½	.03½	.04½
No	.06	.01½	Stadacona	352,750	.04½	.04½	.04	.04½
1	.60	.07	St. Anthony	32,100	.45	.45	.39	.44
No	2.21	.60	Sudbury Basin	15,075	1.75	1.80	1.65	1.60
1	.11	.00½	Sudbury Contact	40,700	.08	.09½	.08½	.08½
1	.01½	.00½	Sudbury Mines	12,000	.01½	.01	.01	.01
No	.25	.16½	Sudbury Nickel	500	.23	.20	.20	.20
1	.38½	.20	Sullivan	9,000	.29	.29½	.27	.29
1	1.40	.72	Sylvanite	564,442	1.15	1.40	1.09	1.40
1	.03½	.01½	Tashota	......	.01½	......	......	......
1	7.25	3.70	Teck Hughes	36,740	6.55	6.65	6.05	6.40
1	.10	.03	Thom. Cadillac	6,500	.07	.07½	.06½	.07½
1	.40	.10	Towagmac	1,775	.29	.29	.28	.29
1	3.00	1.00	Treadwell	200	2.25	2.25	2.00	2.00
1	.17	.04	United Kirkland	30,400	.11	.15	.11	.14½
No	.06½	.01½	Vacuum Gas	15,700	.02½	.02½	.02½	.02½
No	2.40	2.30	Venezuela	......	2.35	......	......	......
No	1.80	.80	Ventures	86,745	1.18	1.22	1.10	1.11
1	.22	.03	Vickers	38,600	.04½	.04½	.03½	.04
1	.75	.20	Vipond	14,950	.55	.58	.50	.50
No	1.65	.35	Waite Ackerman	2,530	1.40	1.45	1.25	1.30
50c	.70	.40	Wayside	107,500	.47	.49	.40	.40
1	.07½	.02½	White Lake	4,500	.05	.05½	.05	.05
1	.28	.02	Wiltsey Coughlan	225,000	.23	.26	.22	.25
1	.27	.07	Wood Kirkland	10,600	.25	.24½	.20	.22
No	7.00	3.73	Wright-Hargreaves	53,470	6.15	6.50	5.85	6.40

OIL STOCKS

Par Val.	Range 1933 High	Low	Company	Sales	Close June 19 (or last)	High for week	Low for week	Close June26
No	.15	.06	Acme Gas & Oil	39,400	.14	.15	.13	.13½
1	.04½	.04½	Admiral	1,000	.04½	.04½	.04½	.04½
1	1.20	.55	Ajax	33,450	1.11	1.20	1.05	1.10
1	.23½	.05	Alta. Pacific	1,100	.18	.19	.15	.15
1	.18½	.05	Amalgamated	19,700	.15	.15½	.13	.14
No	.14	.04	Associated	2,300	.10	.12	.10	.10
No	.06	.01	Baltac	......	.03	......	......	......
No	.80	.25	Calgary & Ed.	1,850	.70	.80	.72	.72
1	.13	.03	Calmont	5,900	.08½	.09½	.08	.08
1	.11	.03½	Common. Pete.	......	.08	......	......	......
No	.45	.05	Dalhousie	1,695	.25	.30	.25	.30
No	.04	.02	Devenish	700	.02	.04	.03	.03
No	.22	.05½	East Crest	1,300	.13	.15	.13	.13
No	.36	.25	Erie Gas	......	.27	......	......	......
No	.01½	.00½	Fabyan Pete.	97,355	.01	.01½	.00½	.01
No	.41	.06	Foothills	325	.20	.35	.25	.35
No	.09½	.02	Freehold	7,005	.06½	.07	.06	.06½
No	.06½	.01½	Hargal	......	.05	......	......	......
No	1.06	.30	Home	6,500	.90	.95	.85	.90
1	.20	.10	Homestead O. & G.	19,600	.15	.18	.14	.17
No	.17	.10	Lowery	......	.10	......	......	......
No	.18½	.05½	Marjon Oil	19,600	.15	.18½	.12	.18
1	1.00	.14	Mayland	8,135	.80	1.00	.85	.95
No	.08	.03½	McD. Segur Ex.	4,550	.05	.05	.04	.05
1	.50	.25	McLeod	725	.42	.31	.31	.31
No	.15	.07½	Mercury	15,400	.12	.11½	.10	.11
No	.32	.11	Merland	1,100	.24	.24	.21	.21
No	.20	.09	Mill City Pete.	180	.14	.12	.12	.12
1	.45	.12	Model	4,500	.38	.38	.34	.38
5	.20	.09	Nordon	10,000	.16	.15	.13	.13
No	.05½	.02½	Oil Selections	9,000	.04	.05	.04½	.04½
No	.15	.04½	Okalta	500	.09	.09½	.09½	.09½
No	.61	.20	Olga Gas & Oil	41,775	.56	.57	.50	.50
5	.03½	.01	Penn. Pete.	......	.01½	......	......	......
1	.25	.13	Petrol Oil & Gas	2,100	.18	.25	.25	.25
No	.02	.02	Richfield	......	.02	......	......	......
No	16.00	5.75	Royalite	902	13.00	14.00	12.00	13.00
1	.20	.05	Sarnia Oil	22,200	.12½	.16½	.13	.15
No	.16	.04	South West Pete.	......	.10	......	......	......
1	.06	.06	Spooner	......	.06	......	......	......
No	.38	.12	Sterling Pacific	100	.35	.30	.30	.30
	.43½	.43	Trinidad Oil	......	.43½	......	......	......
No	.16	.03	United	7,030	.09	.11	.08	.08
No	.21	.06	Vanalta	5,800	.17	.17	.14	.14
No	.01	.00½	Wainwell	......	.00½	......	......	......

VANCOUVER STOCK EXCHANGE
(Transaction for Week to June 20)

Par Val.	Range 1933 High	Low	Company	Sales	Close June 19 (or last)	High for week	Low for week	Close June26
25c	.03	.00½	Bayview	44,500	.03	.02½	.01	.02½
20c	.10	.02½	Beaver Silver	136,900	.09½	.09	.07	.07½
25c	.17	.05½	Big Slide	42,500	.07½	.08½	.07	.07½
25c	.06½	.02	Bluebird	13,400	.05½	.05½	.05	.05½
No	9.00	1.38	Bralorne	32,029	7.40	7.60	5.85	7.30
1	.57	.05	Bridge River Cons.	123,317	.46	.46	.34	.40
50c	.71	.35	Bridge River Exp.	217,330	.61½	.65	.47	.57
100	89.00	88.50	B. C. Electric, pfd.	......	88.50	......	......	......
1	1.50	.60	B. C. Silver	600	1.35	1.35	1.25	1.25
No	.82	.60	Burns Mountain	350	.65	.60	.60	.60
1	4.15	1.50	Cariboo Gold	53,060	3.15	3.75	2.50	3.00
No	12.90	5.60	Coast Breweries	951	10.00	10.00	9.60	9.75
25c	.02½	.00½	Cork Province	42,000	.02½	.02½	.02	.02
1	.02½	.02½	Cotton Belt	......	.02½	......	......	......
1	.08	.00½	Dalhousie Mines	7,000	.06	.05	.04½	.05
1	.13	.02	Dunwell	35,815	.03	.13	.03	.11
1	1.00	.28	George Copper	782	.75	.60	.55	.60
50c	.12	.04	Geo. Enterprise	29,000	.06	.06	.04½	.04½
1	.09½	.02	Georgia River	90,400	.07½	.07½	.06	.07
1	.60	.16	Golconda	1,700	.52	.44	.43	.43
50c	1.05	.60	Gold Belt	16,825	.95	1.05	.90	.98
.	1.00	.95	Golden Belle	3,700	1.00	1.00	.95	.98
50c	.11	.03½	Grandview	30,000	.07½	.07½	.06½	.07
1	.01½	.00½	Independence	......	.01½	......	......	......
1	.03½	.02	Indian Mines	17,500	.03	.03	.03	.03
1	.17	.08½	Inter. Coal	1,100	.15	.15	.13	.15
50c	.57	.33	Kootenay Belle	21,000	.41	.42	.33	.34½
25c	.02	.00½	Kootenay King	11,200	.01½	.01½	.01	.01
25c	.00½	.00½	L. & L.	2,000	.00½	.00½	.00½	.00½
1	.01	.01	Lakeview	67,500	.01	.01	.00½	.00½
10c	.06½	.01	Lucky Jim	31,000	.05½	.05½	.04	.05
10c	1.05	.20	Meridian Min.	103,150	.69	.74	.57	.65
.	.01½	.00½	Marmot Metals	127,900	.01½	.01½	.01½	.01½
5c	.13	.05	Metaline Metal	3,000	.13	.09	.08½	.09
50c	.41	.18	Morning Star	118,835	.26	.27	.20	.23
1	.06	.00½	Morton Woolsey	56,250	.05½	.06	.03	.04½
1	.29	.09	Native Sons	56,000	.15½	.16	.12½	.14
50c	.10½	.00½	National Silver	80,146	.09½	.10	.06	.07
50c	.85	.74	Nicola	7,500	.83	.85	.81	.83
50c	.21½	.02½	Noble Five	142,200	.17	.19	.13	.16
50c	.01	.00½	Oregon Copper	......	.01	......	......	......
.	.35	.25	Pavilion	1,000	.30	.25	.25	.25
1	1.25	.40	Pioneer Extension	......	1.10	......	......	......
1	16.10	4.30	Pioneer Gold	6,263	15.25	15.00	12.00	14.50
1	.11	.10	Planet	......	.10	......	......	......
50c	.19	.04½	Porter Idaho	18,424	.16	.16	.14	.14
No	.04	.00½	Premier Border	110,766	.03	.03	.02½	.02½
1	.10	.02	Quatsino Copper	1,000	.03½	.04	.04	.04
No	.42	.10	Reeves McDonald	2,350	.33	.32	.30	.30
.	.30	.25	Reliance	......	.27	......	......	......
1	2.70	.60	Reno Gold	148,365	2.52	2.55	1.95	2.33
1	.22	.04	Reward Mining	63,300	.16	.17	.12	.15
1	.10	.01	Rufus Argenta	42,200	.06½	.07½	.05	.05½
1	.07	.02½	Ruth Hope	2,400	.06	.05½	.05	.05
.	.65	.52	Sally Mines	2,200	.62	.59	.52	.52
1	.15	.03½	Silverado	12,750	.12	.12½	.09	.10
25c	.09	.01	Silver Crest	139,510	.07½	.08	.06	.06½
20c	.03½	.01½	Silversmith	......	.03½	......	......	......
50c	.04½	.01	Snowflake	61,500	.03	.03	.02½	.02½
25c	.06	.06	Sonora	......	.06	......	......	......
1	.61	.40	Standard Gold	6,850	.50	.50	.40	.44
1	.50	.25	Sunloch	......	.45	......	......	......
.	.40	.20	Toric	1,046	.40	.40	.20	.20
50c	.03½	.02	Topley Richfield	12,850	.03	.03½	.03	.03
50c	.60	.08	Wayside	128,420	.50	.48	.39	.43
25c	.12	.01½	Waverly Tangier	60,800	.09	.10½	.08	.08½
20c	.05	.01½	Wellington	8,200	.04	.04	.03	.04
1	.18	.03	Whitewater	18,250	.18	.16½	.13	.14
.	.48	.40	Yankee Belle	1,000	.42	.45	.45	.45

DIVIDEND PAYERS

	Rate	Yield %		Rate	Yield %
Ajax Oil	8c.	7.27	Merland Oils†	2½c.	......
Coniagas‡	2½c.	......	Noranda‡	50c.	......
Coniaurum†	5c.	......	Petrol Oil	*2c.	......
Cons. Smelters*	10%	......	Premier	12c.	9.83
Dome Mines	$1+55c.	4.33	Pioneer, B.C.	60c.	4.28
Falconbridge	10c.	......	Royalite	*1.50	......
Hollinger	65c.+10c.	7.81	Siscoe	12c.	7.89
Howe Sound	40c.	......	Sterling Pacific Oil†	*2½c.	......
Lake Shore	$2+$1	7.22	Sylvanite	4+1c.	3.57
McIntyre	$1.50+12½c.	5.00	Teck-Hughes	60c.	9.37
McLeod Oils‡	5c.	......	Wright-Har.	20c.	3.12

* Stock. ‡Interim. †Initial. *Paid in 1932.

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INTER. HYDRO POWER SALES HIGHER IN MAY

Earnings in First Quarter Well Below 1932 Level

Consolidated total revenue of International Hydro-Electric System and subsidiaries dropped to $15,381,176 in the first quarter of 1933, from $17,199,274 reported for the first quarter of 1932. Net revenue was down to $8,936,796 from $9,880,357. Drop in earnings was due primarily to further heavy declines in both industrial and domestic business of the New England properties. Loss on exchange representing premiums paid by Canadian subsidiaries on purchase of United States funds for debt service and on conversion of funds received as dividends from Canadian subsidiaries, was also a factor.

Demand for power started to improve in April and during May, kilowatt hour output exceeded that of May, 1932. Revenues have not shown equivalent improvement as increased demand has been largely for low rate wholesale power. Earnings in the latter part of the year will be affected by a new Federal tax of three per cent. Consolidated short-term notes have been reduced to $5,681,081 at May 31 from $9,636,081 outstanding at December 31, 1932. Part of this reduction was effected out of earnings and part out of $2,000,000 three-year 4½ per cent note issued by a subsidiary.

For the 12 months ended March 31, 1933, consolidated total revenue was $61,838,088 compared with $61,776,395 in the preceding twelve months period, and net revenue before charges was $35,186,358 against $34,481,607. Consolidated earnings in the twelve months ended March 31, 1933, available for dividends on the class A stock of the system were $1,696,079, or $1.98 a share, compared with $3,138,672, or $3.67 a share, in the preceding twelve months.

Comparative consolidated statements are as follows:

Quarter Ended March 31	1933 $	1932 $
Total revenue, including other income	15,381,176	17,199,274
Net revenue before interest, depreciation, etc.	8,936,796	9,880,357
Int., disct. & divds. and amounts applic. to minority stocks of subs.	7,079,483	7,387,584
Depreciation	1,364,862	1,342,825
Balance for dividends on System stocks	492,451	1,149,948
Dividends on System stocks:		
Preferred stock, convertible $3.50 series	122,838	124,952
Class A stock	*	429,098
Balance after dividends	369,613	595,898
Twelve Months Ended March 31		
Total revenue, including other income	61,838,088	61,776,395
Net revenue, before interest, depreciation, etc.	35,186,358	34,481,607
Int., disct. & divds. and amounts applic. to minority stocks of subs.	27,958,827	26,288,775
Depreciation	5,041,809	4,554,353
Balance for dividends on System stocks	2,185,722	3,638,479
Dividends on System stocks:		
Preferred stock, convertible $3.50 series	489,643	499,807
Class A stock	*	1,709,733
Balance after dividends	1,696,079	1,428,939

*Unpaid cumulative dividends on class A stock from April 1, 1932, to March 31, 1933, amount to $1,716,894.

(In the above statement all figures have been stated at parity of exchange without adjustments of differences between Canadian and United States funds. It is the practice of the company to take into current operations any profit or loss on exchange at the time funds are actually transferred.)

Employment Level Highest This Year

June 1 marked the highest level of employment in the Maritime Provinces of any month this year, according to the employment indices of the Dominion Bureau of Statistics published this week, in accordance with the trend evident throughout the Dominion.

February and March, as is usual, were slack months as far as employment was concerned, but the index on April 1 and May 1 both showed advances, the former being against the usual trend at that time. On the basis of 1926 equals 100, the index number at June 1 is 82.8 and the low for the year recorded at Feb. 1 was 76.5.

Southern Canada Power Returns Lower for May

From Our Own Correspondent

MONTREAL. — Southern Canada Power Co. reports a gross income of $167,279 during May last compared with $173,423 for the same month in 1932. Operating expenses were slightly less, leaving net operating income at $106,267 for May this year, or about $3,300 less than reported during the same period in 1932.

Cumulative returns for the eight months ended May, 1933, show a gross income of $1,430,736; operating expenses, $503,302; and net income $927,434. For the corresponding months of the previous year gross earnings amounted to $1,519,921, expenses $565,982, and net income $953,939.

Bond Tenders

12 noon, June 30, County of Wentworth—$113,605, 5 per cent 10-serial. John E. Peart, clerk, Court House, Hamilton.

12 noon, June 30, Waterloo—$6,294, 5½ per cent 10-instalment; $5,626, 5½ per cent 20-instalment. Norman A. Zick, treas.

June 28, City of Quebec—$2,221,400, 4½ per cent 5, 10 and 30-yr. or serial bonds for the same terms. Supt. Banque Canadienne Nationale, St. Peter St., Quebec.

12 noon, July 5, Toronto—$3,886,000, 4½ per cent serial debentures; $1,000,000, 4½ per cent 20-year straight term debentures of Toronto Harbour Commissioners. William J. Stewart, Mayor. (See announcement on page 12).

East Kootenay Power Records Larger Earnings

From Our Own Correspondent

MONTREAL.—For the first time in several months East Kootenay Power Co., controlled by Power Corp. of Canada, reported an increase in earnings. Gross revenue in May amounted to $33,440, expenses $11,377 and net income $22,063. For the same month last year gross income totalled $32,803, expenses $11,794 and net revenue $21,009.

For the two months of the current fiscal year ended May, 1933, gross revenue amounted to $66,123 compared with $66,659 for the same period last year. Operating expenses dropped slightly, leaving net income at $44,031 this year compared to $43,626 last year.

Can. International Trust Will Pay 10.07c Per Share

Semi-annual distribution of 10.0719 cents per share will be made by General Trust of Canada to holders of Canadian International Trustee shares on July 1. This payment represents regular and extra cash dividends received during the first six months of 1933 on stocks held in the portfolio, plus interest on the reserve fund and premium on American dividends received.

The above payment is made on certificates which have been modified according to the trust agreement, passed at Montreal on June 26. On all original certificates that have not been modified, a distribution of 30 cents per share will be made.

Public Utility Earnings

East Kootenay Power

May:	1933	1932
Oper. revenue	$33,440	$32,803
Oper. expense	11,377	11,794
Net revenue	22,063	21,009
Two Months:		
Oper. revenue	66,123	66,659
Oper. expense	22,092	23,033
Net revenue	44,031	43,626

Can. Western Natural Gas

	1932 $	1933 $	Decrease $
January	296,751	299,064	*2,313
February	338,591	314,774	23,817
March	287,945	250,935	37,010
April	205,967	196,093	9,874
Aggre. from 1st Jan. to April 30	1,129,254	1,060,866	68,388

* Increase.

Winnipeg Electric

April—	1932 $	1933 $	Decrease $
Gross Earn.	486,924	442,338	44,586
Expenses	300,413	275,528	24,885
Net Earn.	186,511	166,810	19,701
Four Months—			
Aggre. gross	2,024,384	1,870,865	153,519
Aggre. net	780,480	711,616	68,864

Canadian Mining News

SHERRITT GORDON WORKING CAPITAL WELL MAINTAINED

Cash and Investments Improve Liquid Condition

HAD SMALL LOSS

Operated Only Six Months; Operating Costs Reduced; Reserves Wipe Out Surplus

Reflecting the adverse conditions met by copper producers in 1932, the report of Sherritt Gordon Mines Ltd., shows a net loss of $12,299 from operations as compared with net profit of $273,509 in the preceding fiscal period of nine months. Production during the first six months of 1932 before the mine was closed in June, amounted to 9,929,182 lbs. of electrolytic copper produced at a cost of 6.195 cents per lb. after crediting 0.893 cents for gold and silver values.

In 1932, 166,197 tons were mined and hoisted of which 158,144 tons were ore. In the nine months of the 1931 fiscal period, 221,981 tons were hoisted of which 214,081 tons were ore. Ore milled yielded 9,929,182 lbs. of copper in 1932 and 14,718,387 lbs. of copper in 1931. Gold content of ore milled was down to 2,717 oz. from 4,039 oz. and silver to 83,563 oz. from 125,845 oz.

Income and surplus account for the past two fiscal periods is as follows:

Income and Surplus Account

	Year ended Dec. 31, 1932 $	9 Months ended Dec. 31, 1931 $
Metal sales	1,073,264	1,330,784
Less: Invent. of metals Dec. 31, 1931	659,471	......
	413,793	......
Add: Invent. of copper Dec. 31, 1932	279,848	......
	693,642	1,330,784
Less: Mine develop.	50,680	71,840
Mining, hoisting	141,879	212,152
Crush. & conveying	22,430	23,340
Milling	101,299	150,538
Market. expenses	......	14,530
Gen. exp. at prop.	41,291	64,958
Admin. & gen. exp.	27,382	39,509
Shipping & smelt.	171,508	260,705
Freight on blister cop.	47,648	70,964
Refining	101,824	148,739
Net earnings	*12,299	273,509
Less: Non-oper. rev.	3,846	11,366
Loss for year	8,453	284,875
Depreciation	178,594	168,425
Maint. & admin. exp.	38,972	......
Prov. for loss Sherridon Townsite Co.	11,304	......
Def. dev. writ. off	63,692	85,632
Outside exploration	726	......
Incorporation fees	......	2,975
Income tax res.	......	3,000
Contingency res.	......	20,000
Net profit	†296,741	4,843
Previous surplus	4,843	......
Bal. carr. forward	†291,898	4,843

*Loss. †Deficit.

Balance sheet shows working capital somewhat reduced but current liabilities down to a minimum. Cash is up to $194,491 from $2,545; while investment in Dominion of Canada bonds is shown at $47,300. Accounts, notes and interest receivable amount to $37,805 as compared with $193,079 at the end of 1931. Inventories of metal stocks are down to $279,849 from $559,568. Bank advances of $93,880 shown at the end of 1931 have been wiped out; accounts and wages payable are down to $2,778 from $54,949. Working capital position is as follows:

Working Capital

	1932 $	1931 $
Current assets	559,445	755,191
Current liabs.	4,345	151,829
Working capital	555,100	603,362
Ratio	128.75—1	4.97—1

Deferred expenditure for exploration and development work has been increased by $55,000 to $1,939,755, the increase being more than offset by write-offs which leave the net value at $1,790,431. Mining leases and claims are carried at $3,357,167; buildings, machinery and equipment and investment in Sherridon townsite at $2,734,671 after depreciation reserve. Shares in other mining and exploration companies at net cost are up to $129,994 from $113,956. Shares outstanding have been increased to 5,741,357 from 5,662,311 and are carried at par value of $5,741,357. Capital surplus consisting of net premium on shares sold for cash and cash retained on shares forfeited is $3,215,395.

Costs Were Reduced

No work was done during 1932 to locate new ore bodies. Recalculation of reserves in the west ore body brings estimate of such reserves to 3,023,000 tons averaging 2.86 per cent copper and 60 cents in gold and silver. In addition there is an indicated tonnage of low-grade material estimated at 910,000 tons averaging 1.2 per cent copper and 55 cents gold and silver. No further work was done on the east ore body and previous estimate remains unchanged at 866,175 tons averaging 2.15 per cent copper and 5.78 per cent zinc and 70 cents in gold and silver.

Regular hand stoping was not applicable as operations progressed to the east and an overhand system was developed using scrapers to drag the broken ore into boxholes. In May, 1932, the last full month of operation, 50 per cent of tonnage was obtained by this method at a cost of 55 cents per ton. One unit of the mill was operated steadily. Heads were somewhat lower than in 1931 and daily tonnage was considerably higher. The concentrate grade was practically the same and the recovery was only slightly lower. Milling costs were reduced approximately 10 per cent per ton.

Note: See page 2 for information as to how a complete analysis of this company can be obtained.

Bridge River Concentrates On Bralorne as Ore Improves

Major Austin C. Taylor Estimates Average Run of $15 a Ton on Very Wide Vein on 8th Level — Mill Being Stepped Up

From Our Own Correspondent

VANCOUVER. — Bralorne ore veins are showing up better than expected, according to Major Austin C. Taylor, president of the Bridge River Company at the annual meeting here. Major Taylor said the possibilities of the mine were very great, especially in view of the fact that there were still two miles of unexplored property from the present workings to the boundary of the Pioneer mine.

Since No. 1 fault had been crossed a large body of ore had been opened up, reported Major Taylor. In places the vein, which is now in 410 feet on the eighth level, has a width of nineteen feet and the average is about twelve feet. The exact assay value was difficult to determine, but the average run was between $15 and $16 a ton. The tenth level was the lowest in the mine and was at a depth of about 900 feet from the surface.

General Average is Good

"Up to a few years ago no mine in Canada had a vein so wide as that of Bralorne," said Major Taylor. "There are a few mines in the east now which can duplicate or even better the width of the Bralorne vein, but they are low grade propositions and practically steam-shovel affairs."

Bralorne characteristics were described by R. Bosustow, manager. He said the mine was not pockety. There were high grade spots here and there, but the general average was good all the way. He told of the recent visit to the mine of Ira B. Joralemon, San Francisco mining engineer, who had been much impressed with Bralorne's prospects.

The new power plant will soon be installed at Bralorne, according to the management. Parts of the plant have already reached Vancouver and will be shipped to the Bridge River in a few days. A new ore crusher has been ordered. The mill is now running at about 130 tons daily capacity and during the next six months it will be stepped up to 200 tons. The new mill will have a capacity of 250 tons.

Concentrating on Bralorne

Major Taylor said that the company did not consider it advisable to go ahead at this time with work on the Coronation group. The Bralorne vein had shown up so well that further outside development seemed hardly justified.

W. W. Boultbee, secretary, said that of the $80,000 which the Bralorne still owed the Bralco syndicate at the end of the year, another $50,000 had been paid off since. The company now has $80,000 on hand.

"We have five years ore in sight on the basis of milling 100 tons a day," said Major Taylor, "and that is a lot of ore. The mill is at present running 24 hours a day, and will soon be handling 150 tons."

Smelters Directors Elected

W. M. Archibald, chief engineer, and M. M. O'Brien, in charge of coast properties of the Consolidated Mining & Smelting Co., were appointed directors of the Bridge River Consolidated Mines at the annual meeting of shareholders at Vancouver recently. Other members of the board elected were Cooper Drabble, J. M. Taylor and John A. Conkey.

Shareholders ratified the recent deal under which Smelters secured a 52 per cent interest in the property. By this it gets 1,560,000 shares of the authorized capital stock. The agreement provides for the development until an adequate supply of ore to warrant the construction of a 100-ton mill is secured. Then Smelters gets 52 per cent of the capital stock. Until that time Smelters finances the cost of the mill, the cost to be repaid out of first earnings from operations.

Development on a major scale is intended. The main tunnel will be carried in from the lowest possible point in the canyon to the Forty Thieves vein, and drifting and cross cutting will be done at the lowest levels.

Not Taking Options On National Silver

Persistent reports from Vancouver to the effect that the Premier Gold Mine is negotiating for an option on the National Silver Mines, Ltd., are incorrect.

The Financial Post information is authoritative on this point.

OLD GOLD MINE GIVEN NEW TRIAL AT CORDOVA, ONT.

Village Re-hums With Industry as Smelters Starts Dewatering

Gold at $28 per fine ounce is an important factor in transforming ghost towns and mining communities into seething maelstroms of activity. Eastern Ontario, near the site of the first gold strike in the province, has now joined the ranks of those areas to attract renewed attention because Consolidated Mining and Smelting is busily engaged at the old Belmont mine with a construction gang rehabilitating the old surface building and equipment so that a thorough inspection can be made under an option agreement.

The property is about 10 miles northeast of Havelock, Hastings county, on the C. P. R. and was last operated in 1915 by the Cordova Mines. Before that the Cordova Exploration Co. financed by English capital did some development work. Records show that in the period immediately preceding 1915 some 72,000 tons of ore were milled producing about $300,000 in gold. The World War and high production costs prompted the construction of a smelter, but then the mill burned down and war conditions made further effort futile. Since that time the company's hydro-electric plant on the Bell River three miles away has burned down.

Old operators, principally the Cordova Exploration Co., sank some 12 shafts on the property—none connected—to a maximum depth of about 500 ft. at the No. 3 shaft. Smelters is preparing to start dewatering, to be followed by a careful examination. Plans call for a complete examination. Power for preliminary operations is not yet settled but will probably be gasoline engine driven, portable compressors operating pumps and the present hoisting gear.

Economic conditions have brought many of the old employees of the property drifting back, and labor in this remote section presents no problem. About 25 men are engaged at present and some 500 have made application for work.

Further Quartz Vein Found by Normont Gold

Normont Gold Mines, whose property adjoins the west side of Granada, reports an additional discovery on what is known as No. 9 zone. It is described as a good-looking quartz vein, striking approximately east and west, and ranging in width from nine inches to two feet. It has been uncovered for a distance of more than 80 feet, and has been traced for 45 feet farther. It is still continuing, the report continues, in what appears to be a regular break with good continuous walls along the break. No assay report is given.

Another quartz vein in No. 11 zone, which was disclosed some time ago, is also being stripped farther in an easterly direction. It is expected that it will extend to connect with the main ore body which is now exposed for about 235 feet. Average assays of the latter are reported at $10.75 a ton on surface and $13.28 a ton in the shaft.

St. Anthony Gold Mines Plans Renovating Mill

According to H. P. Bellingham, president of St. Anthony Gold Mines, a new group with strong financial backing has become interested in the company. Two payments are reported to have been made already and shares have been taken up to finance further rehabilitation work. Settlement, it is stated, is being made on the basis of prevailing market prices.

Plans are being laid to install at once a 1,000 h.p. hydro-electric unit which was purchased last year to provide power for operations. The present mill building will be renovated and a 125-ton daily capacity cyanide equipment installed. The consulting engineer in charge of operations will be Lawrence B. Wright, formerly with the Homestake Mining Co.

PARKHILL GOLD PLANS TO DEEPEN SHAFT TO 1,000 FT.

Larger Programme of Development Will Be Undertaken Now

RECOVERY HIGH

Returns Show $21.56 Per Ton For Ore Milled in Recent Months Exclusive of Premiums

Now that the downward extension of the high grade ore found on upper levels of the Wa Wa mine of Parkhill Gold Mines Ltd. has been located on the sixth, the deepest level in the mine, 730 feet on the dip of the vein, the management feels that a larger programme of development should be immediately undertaken.

Up to the present, the mine has only been explored east and west of the shaft for a total length of approximately 500 feet. The veins on surface outcrop and have been traced for a distance of about 1,600 feet. The main break is over 4,000 feet in length on the company's property.

Resuming Shaft Sinking

Shaft sinking will be resumed without delay and it is the intention to continue down immediately to a depth of 1,000 feet. From that horizon the mine will be explored east and west for the full length of the break as well as with several long cross-cuts north and south to intersect other outcrops that have not yet been explored underground. A diamond-drilling programme is also included.

What is thought to be a new vein was picked up in the shaft just above the present lowest level. In the sump, 26 feet below the sixth level station, this vein has a width of 3½ feet; it is well mineralized with a good deal of free gold showing. The ore is characteristic of the best in the mine and it looks as if this vein may be an important ore carrier on the seventh level and to depth.

It is expected that the mine will be fairly well explored at a depth of 1,000 feet in the next five months and if present indications and past performances are any criterion, Parkhill should give a creditable account of itself by the end of the year.

Values Rise With Depth

The high-grade ore found on upper levels and now located on the sixth, the deepest level in the mine, still is well mineralized with considerable free gold showing. There has been no change in the rock formation and it is assumed that this ore body will be at least as valuable on the sixth level as it is on the fifth. This particular ore body has carried down continuously from surface and has been very interesting. On surface it was a small lense only a few inches wide and not high grade.

A progress report just issued shows values to have increased with depth as shown in the following table:

Level	Production in tons	Aver. Value per ton
First	517	$ 5.07
Second	916	13.80
Third	2,417	15.55
Fourth	4,086	17.08
Fifth	5,142	22.05

The first assay and mill results from the sixth level are officially reported as follows:

"Channel samples for the first 30 ft. over stoping widths in the order taken as drifting progressed, ran per ton, $6, $11, $15, $34, $42 and $65. So far the vein is getting richer as it is opened up. Development ore sent to the mill which represents full drift widths, 4½ ft., averaged $28 per ton."

The progress report put out by E. S. Turner, general manager of Canadian Enterprises, continues in part as follows:

"The above figures are taken from mine yield. Mint returns for gold recovered from the fifth level show a value of more than $3 per ton in excess of the mine assays. This is on the regular basis of $20.67 per oz. and is after Mint charges have been deducted.

"From all stopes, the fourth level, 490 ft. in depth, has produced to date, 6,392 tons of ore averaging $14.41 per ton. From all stopes, the fifth level, 605 ft. in depth, has produced to June 18th, 5,788 tons of ore averaging $21.56 per ton. The average vein width on the fourth level is 30 in. and on the fifth level is 54 in.

"Including shut-downs, the mill has handled an average of 43.49 tons of ore per day from Feb. 23 to June 18. The mill has a capacity of between 50 and 60 tons per day but due to the rich ore on the fifth level it was impossible to run to capacity and prevent a high tailing loss. This condition is being remedied by the installation of a tube mill and additional cyanide agitation.

"Bullion recovery, (Mint returns) Feb. 23 to June 18, exclusive of premiums. Mint charges, tailing losses and gold tied up in the circuit, equals $21.56 per ton for the total tonnage milled.

"Bullion recovered since the May clean-up (May 23 to June 18) exclusive of premiums, tailing losses and gold tied up in the circuit, equals $23.82 per ton.

"Premiums received and due on bullion shipped to the Mint, Feb. 23 to June 18, equal $5.90 per ton."

Ore Receipts at Trail

Ore received at the Trail smelter of Consolidated Mining & Smelting Co. for the period June 15 to 21, 1933, inclusive, was as follows:

Name of Mine	Locality	Tons
Bell,	Beaverdell	58
Midnight,	Rossland	14
Twin Lake Gold M. Co.,	Penticton	8
Yankee Girl,	Ymir	174
Total		254
Total Company		4,376
Grand Total		4,630

The grand total from company's mines in 1933 to date is 137,400 tons and from other mines 11,429 tons, or 148,829 tons in all.

Quebec Minerals in May

Mineral production in the Province of Quebec in May, 1932, and May, 1933, are shown in the following table:

	1933	1932
Asbestos:		
Fibre, tons	11,121	9,972
By-products (Sand, gravel, etc.) tons	248	581
Metals:		
Gold, ounces	30,400	41,802
Silver, ounces	66,207	63,539
Building Materials:		
Clay products	$60,020	$92,253
Lime tons	8,387	6,998
Cement, barrels	149,786	262,993

Sylvanite Ore Jumps In Grade June Mill Run

If Northern reports are correct that Sylvanite has produced bullion to the value of $63,000, exclusive of premium, during the first 12 days of June, the mine has been establishing a new record and the average grade of ore milled has risen from $9 to $14. It is stated that the increase in grade was due to the fact that less development work was put through the mill, ore being taken direct from the vein.

In the year ended 1932 the recovery per ton was $8.27, the lowest for six years and not unexpected in view of the aggressive development programme of the company. This programme entailed increases in exploration and development expenditures.

In July the company expects to place in operation at No. 2 shaft a new steel headframe, ore and waste bins of steel, combined skips and cages and a larger hoist motor and suitable control. This will permit deepening the shaft to below 3,000 ft. and provide a substantial increase in hoisting and greater ore and waste bin capacity.

CAN FILL ORDER OF QUEEN'S PARK FOR FIRST RADIUM

Winter's Work at Port Hope on 1931 Ore Shows Results

NEED NEEDLE FILLER

Only Refinery Outside Belgium—Finds Expert Workmen Scarce—Sell Uranium Salts to England

Canada's and the British Empire's newest industry, the only radium refinery outside of Belgium, may now be considered as being in commercial production at Port Hope, Ont. The long, expensive and involved process of extracting the most expensive of all the earth's elements, radium, began last fall and is now an accomplished fact, though necessarily the initial effort is on a glorified laboratory basis.

The Financial Post was told by plant officials that the element, ready for enclosure in the platinum needles, has been isolated in such a quantity that nearly enough is available to fill the initial order on the company's books, given by the Ontario Department of Health. Months of skilled work by chemists and gallons of various acids have been used. To date the ore in process has been part of the 20-ton lot shipped out in 1931 from the company's pioneer find at Echo Bay, Great Bear Lake, to the ore dressing laboratory of the Federal Mines Department at Ottawa. The Mines Department crushed and ground the ore which the company has treated to date, but a crusher and rod mill have just been installed in the Port Hope plant that will permit of this operation in the future.

Sell Uranium Salts

The radium is not available in the usual marketable form—needles—because of the difficulty in obtaining someone skilled in filling and sealing platinum needles it was explained.

As a by-product of the process, a considerable quantity of uranium salts is produced. An ore that averages 30 per cent uranium oxide, it was explained, would give about 600 pounds of this by-product to the ton. Already a shipment has been made to England for use in coloring glazes in the ceramic trade.

The current market price is around $1.25 per pound in U. S. funds.

Tailings

Bidgood—Plans are reported to be for production this fall. Arrangements are stated to have been made to erect a 100-ton mill while No. 2 shaft will be deepened from 550 to 1,000 feet. A gang of men are at present working on the property.

* * *

Macassa — More than 100 ft. of better than $25 ore have been opened up on the 2,175-ft. level of the Macassa Mines, according to reports. Some sections are said to run as high as $100 per ton while the average width of the vein on this level is 6 ft. The raise to the 2,000-ft level continues in $15 ore across a width of 8 ft. Excavation work for the 200-ton mill is advanced and an ample supply of high grade ore is predicted for the mill when it is ready.

* * *

Coniagas—Work is proceeding with encouraging results on the Michael-Boyle property of Coniagas in the Goudreau district optioned to Coniagas. A series of shallow drill holes are reported to have located a new ore body about one third of a mile in length showing commercial values in gold. Some while ago a surface find was made, a vein carrying high grade values over a width of five feet.

* * *

Olga Gas & Oil—As the pipe line nears completion from the gas wells of Olga Gas & Oil Co. in Raleigh Township to the main pipe line of Southern Ontario Gas Co., four miles to the south the company announces that further development of their gas leases in this area will be commenced immediately. A contract for sinking the first new well has just been let.

* * *

Teck-Hughes — Officials of Teck-Hughes have denied the report sent to shareholders of Quebec Gold Belt Mines that a 60-ton mill was being erected on the Lamaque property of Teck-Hughes in Northwestern Quebec. Development work has not yet reached the stage where consideration can be given to mill construction, the president states.

* * *

Siscoe—Bullion production of Siscoe in May is reported to have amounted to approximately $100,000 and it is expected that June production will exceed this amount. Development rock milled causes a consequent reduction in recovery. Millheads at present are averaging $11 per ton but should be up around $15 when the development rock is out of the way. The mill is treating 285 tons daily and development work continues highly satisfactory.

ONT. CHAMPION MAY DEEPEN SHAFT TO 500 FOOT LEVEL

New Interests State $100,000 Available For Work Planned

R. C. Hughes & Co. and associates and the Ridout Swayze Gold Syndicate report to The Financial Post that over $100,000 will be available to open up the Ontario Champion Mine.

The Ontario Champion Mine was taken over by R. C. Hughes on behalf of himself and the Ridout Swayze Gold Syndicate which also owns property in Greenlaw township, Swayze mining area. This syndicate was capitalized at 3,500 units $10 par.

The option formerly held by F. G. Oke & Company on behalf of Vickers Mines on Ontario Champion Gold Mines, being in arrears, was officially cancelled on May 12 and the new option was secured on behalf of R. C. Hughes & Company and the Ridout Swayze Gold Syndicate.

More Men on Way

The report by Percy Hopkins, M.E., shows that there is a two compartment shaft sunk to a depth of 235 feet with levels established at 120 and 220 ft. Drifting on the orebodies on the first level resulted in assay values from $9.64 for 50 ft. to $10.87 for 25 ft. Milling tests on ore gave $19 a ton for 1,535 tons. About $140,000 has been spent on development and equipment.

An additional crew of men are now on their way to the property to start crosscutting for the new vein exposed on the surface near the shaft for 300 ft. in length. Crosscutting will occur on the 120-ft. level, some 80 ft. away. It is stated to be the intention of the company to crosscut to this vein not only at the 120-ft. level but at the 220-ft. level and to continue the present shaft down to the 500-ft. level.

God's Lake Gold Drills Indicate Values Growing

R. J. Jowsey, president of God's Lake Gold Mines, Ltd., who has just returned from the property, states that values of three diamond drill holes on the Akers group at the easterly end of their holdings, put down to an approximate depth of 200 feet, were $23 over four feet in No. 1 hole, $28 over four feet in No. 2 hole, 800 feet to the east and $16 over three feet, seven inches in No. 3 hole, 50 feet to the east.

Surface assays on these holes run $8.43, $2.80, $4.40 and $4.80, indicating a substantial increase in values with depth.

Five distinct new discoveries have been made this year on the property and an important discovery was made on a reef in the water to the north, Mr. Jowsey reports. The vein system on the Standard group was opened up for a distance of 2,000 feet and is proving highly satisfactory. The strike made on the Smelters gold claims, which immediately adjoin the Kipp group on God's Lake Gold Mines, has been definitely located on the Kipp property, and it is therefore hoped that this will prove a highly important discovery. Mr. Jowsey states that there appear to be four distinct breaks through their nine miles of claims. Work on the property is in charge of E. L. Brown, M.E., who has a crew of 17 men.

Bobjo—R. J. Jowsey, of the Bobjo Mines, has advice from Little Long Lac Mines properties to the effect that an important strike has been made. Ten feet of quartz, showing heavy gold values are stated to have been encountered and further development work is now under way.

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Canadian Gold Production Somewhat Down in April

Output of Quebec, Manitoba and British Columbia Showed Decline — First Shipments from Mathews Mine and Cariboo Gold

Canadian gold production in April totalled 237,017 ounces, according to a report issued by the Dominion Bureau of Statistics at Ottawa. During March, 260,154 ounces were produced and in April, 1932, the output was 246,359 ounces. Production during the first four months of 1933 reached a total of 958,851 ounces, a decrease of 0.3 per cent from the output in the corresponding period of 1932.

Ontario mines produced 181,584 ounces in April made up of 83,695 ounces from the Kirkland Lake area, 86,050 ounces from the Porcupine camp, and 11,839 ounces from other sources. Buffalo-Ankerite, Coniaurum, Minto, Parkhill, Teck-Hughes and Vipond reported increased outputs in April. The Barry-Hollinger mill was closed down during April.

Quebec's output amounted to 28,083 ounces; in March, 28,719 ounces were produced and in April, a year ago, the production was 35,998 ounces. The first shipment of gold bullion from the Mathews mine is included in the Quebec April output.

British Columbia produced 16,130 ounces of gold in April as compared with 18,306 ounces in the preceding month. The April production includes the Cariboo Gold Quartz Mining Company's first shipment to the Royal Canadian Mint.

The production from Manitoba mines in April was reported at 10,533 ounces; in the previous month 14,120 ounces were produced.

Operations in Nova Scotia and the Yukon yielded 687 ounces.

The world gold output in April was estimated at 1,919,000 ounces; in the preceding month the total was 2,044,000 ounces. Production from Transvaal mines was recorded at 895,000 ounces as compared with 947,000 ounces in March. The United States output declined to 189,000 ounces from the March total of 252,000 ounces. According to the American Bureau of Metal Statistics the unseasonable rise in the United States gold production (receipts), in March, was due to the inclusion of an item of 74,000 ounces of a probably non-recurring nature which may have been associated with the new governmental regulations.

Production of Gold in Canada

Months	1933 Ounces	1932 Ounces	1931 Ounces	1930 Ounces
Jan.	233,456	233,826	203,227	154,506
Feb.	228,224	225,891	195,961	145,806
Mar.	260,154	255,675	204,872	164,187
Apr.	237,017	246,359	222,866	169,596
May	......	268,543	216,597	168,695
June	......	270,526	229,478	175,927
July	......	250,394	228,878	170,697
Aug.	......	265,090	229,216	170,052
Sept.	......	261,538	243,109	178,291
Oct.	......	253,503	239,691	186,844
Nov.	......	252,517	238,354	197,688
Dec.	......	266,719	241,643	219,779
Total	......	3,050,581	2,693,892	2,102,068

Moss Gold Mines Directors Plan Capital Reorganization

Capital reorganization of Moss Gold Mines Limited, involving reduction in number of shares outstanding, the creation of new treasury shares and the underwriting of a certain portion of these new treasury shares, is planned by directors. In a statement sent out on June 21 it was indicated that directors planned to offer the balance of shares to the existing shareholders in proportion to their respective holdings.

Considerable expenditures have been made at the property to provide additional air capacity and to carry on a more extended programme of development. The company was unable to make the necessary loans to carry out work and believes the only alternative is to provide treasury stock to be sold for the purpose, hence the new plan of which details will soon go out.

Nicola Mines Stock Placed on Market by N. Y. House

From Our Own Correspondent

MONTREAL.—Bartley and Co., of New York, are making an offering of common stock in the Nicola Mines and Metals Ltd. at the market price.

Nicola Mines was formed in 1931 as a consolidation of the Planet Mine and the Donahoe Mine, gold producing properties. Holdings consist of 865 acres of mineral claims in British Columbia. Over 20 ore veins have been located on the property and various assays show the ore to have values running from $6 at the surface to as high as $40 at depth, with an average of $13 a ton above the 320 foot level.

A 100-ton mill was erected on the property in 1929. It is estimated that operating costs, mining, milling and transportation are approximately $6 a ton.

Great Bear Lake Mines, Ltd.
One of the leading developments in the Great Bear Lake area. The current issue of the "Mining Chronicle" features the affairs of this company. Copies on request.
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